ALABAMA MEDICAID AGENCY

REQUEST FOR PROPOSALS

RFP Number: 2010-MITA-01	**RFP Title:** Independent Verification and Validation and Quality Assurance Services
RFP Due Date and Time: September 30, 2010 by 5pm Central Time	**Number of Pages:** 116

PROCUREMENT INFORMATION

Project Manager: John Napier	**Issue Date:** August 17, 2010
Phone: (334) 353-3124 **E-mail Address:** john.napier@medicaid.alabama.gov **Website:** http://www.medicaid.alabama.gov	**Issuing Division:** Information Services Division

INSTRUCTIONS TO VENDORS

Return Proposal to: John Napier Project Manager Alabama Medicaid Agency Lurleen B. Wallace Building 501 Dexter Avenue PO Box 5624 Montgomery, AL 36103-5624	**Mark Face of Envelope/Package:** RFP 2010-MITA-01 Due Date: September 30, 2010 by 5pm CT **Firm and Fixed Price Total for Contract:**

VENDOR INFORMATION

(Vendor must complete the following and return with RFP response)

Vendor Name/Address:	Authorized Vendor Signatory: (Please print name and sign in ink)
Vendor Phone Number:	Vendor FAX Number:
Vendor Federal I.D. Number:	Vendor E-mail Address:

Request For Proposal

for

Independent Verification & Validation

and

Quality Assurance Consultant Services

August 16, 2010

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LIST OF FIGURES AND TABLES

LIST OF ACRONYMS

The following acronyms are used throughout this document:

Acronym	Definition
AMAES	Alabama Medicaid Application and Eligibility System
AMMIS-RS	Alabama Medicaid Management Information System Recipient Subsystem
BPR	Business Process Reengineering
CCB	Change Control Board
CMM-I	Capability Maturity Model Integration
CMS	Centers for Medicare & Medicaid Services
DDI	Design, Development, and Implementation
IEEE	Institute of Electrical and Electronics Engineers
ISAM	Indexed Sequential File
IV&V	Independent Verification & Validation
JAD	Joint Application Development
MITA	Medicaid Information Technology Architecture
MMIS	Medicaid Management Information System
PM	Project Manager
QA	Quality Assurance
RFP	Request for Proposal
RS	Recipient Subsystem
RS-R&R	Recipient Subsystem Reengineering and Redesign Phase II Project
SOW	Statement of Work

Acronym	Definition
TBD	To Be Determined
VSAM	Virtual Sequential Access Method

1 ADMINSTRATIVE SECTION

1.1 General Requirements

1.1.1 Introduction

This Request for Proposal (RFP) provides prospective Proposers with sufficient information to enable them to prepare and submit proposals for consideration by the Alabama Medicaid Agency (Agency) to satisfy the need for expert assistance in the completion of the goals and requirements of this RFP. Instructions governing proposal submission and the material to be included therein, mandatory and other requirements, which shall be met, by the Proposer and their proposal in order to be eligible for consideration are included in this RFP. The Awarded Proposer shall be responsible for the performance of all tasks, meeting all requirements and delivering all deliverables contained or identified within this RFP.

1.1.2 Issuing Office

This RFP is issued under the authority of Section 41-16-72 of the Alabama Code and 45 CFR 74.40 through 74.48. The RFP process is a procurement option allowing the award to be based on stated evalution criteria. The RFP states the relative importance of all evaluation criteria. No other evaluation criteria, other than the RFP, will be used. The Alabama Medicaid Agency solicits sealed proposals for Independent Verification and Validation (IV&V) and Quality Assurance (QA) consultant support to the Agency.

1.1.3 Invitation to Submit Proposals

The State of Alabama provides prospective Proposers with sufficient information to enable them to prepare and submit proposals for consideration by the Alabama Medicaid Agency to satisfy the need for expert assistance in the completion of the goals and requirements of this RFP. All interested Proposers who were not contacted are invited to submit a proposal in accordance with the rules, procedures and dates set forth herein.

1.1.4 Purpose

It is the intent of the Medicaid Agency to provide prospective Proposers with sufficient information to enable them to prepare and submit proposals. These proposals shall demonstrate the Proposer's ability to satisfy the need for consultant services for Independent Verification and Validation (IV&V) and Quality Assurance (QA) consultant support for the modernization effort of the current Recipient Subsystem (RS) of the Alabama Medicaid Management Information System (AMMIS). The current Recipient Subsystem of the AMMIS is also referenced as the Alabama Medicaid Application and Eligibility System (AMAES). These systems and sub-systems are described in further detail in the following sections 1.1.6.2 and 1.1.6.3.

The modernization effort of the Recipient Subsystem (RS) is a total effort of a two-phased approach. Phase I of the two-phased approach is referenced as the **MITA & BPR Phase I Project**. The output of Phase I is the initiation of a follow-up **RS-R&R Phase II Project** which is to modernize the 30+ year old Recipient Subsystem. Both of these projects have recently been

combined into the **Recipient Subsystem Modernization Project**. This RFP addresses IV&V and QA contract services that will begin during Phase I and transition into Phase II.

The goals of this RFP are:

- To acquire qualified consultant support to provide and execute a comprehensive IV&V Strategy and Methodology throughout the system development lifecycle for the replacement of Alabama's Medicaid Recipient Subsystem
- To acquire qualified consultant support to provide and execute a comprehensive QA Strategy and Methodology throughout the system development lifecycle for the replacement of Alabama's Medicaid Recipient Subsystem

Because of the diverse requirements and specifications of this RFP, the Medicaid Agency encourages prospective Proposers to subcontract or partner with other professional entities to acquire additional expertise and resources necessary to successfully address all requirements, specifications, and deliverables of this RFP. The Medicaid Agency seeks to obtain as many proposals as possible while ensuring open competition among Proposers.

In the event of a proposal submitted jointly by more than one organization, one organization must be designated as the prime consultant and must have responsibility for the project management and not less than 60 percent of the work to be performed (as measured by price). All other participants shall be designated as subcontractors. The Medicaid Agency encourages Proposers to consider the use of minority and small business firms as subcontractors.

The selected Consultant shall be responsible for performance of all duties specified within this RFP for the amount of compensation quoted in its response to this RFP.

1.1.5 Scope

The scope of this RFP includes the provision of Independent Verification and Validation (IV&V) and Quality Assurance (QA) services.

For the purposes of this project, the Agency accepts the Institute of Electrical and Electronics Engineers (IEEE) definitions for these terms as follows:

- **Quality Assurance –** Process for providing assurance that the software products and processes in the project life cycle conform to their specified requirements and adhere to their established plans, i.e., the products and processes are in conformance
- **Verification –** Process for determining whether or not the software products of an activity fulfill the requirements or conditions imposed on them in the previous activities, i.e., the software is built correctly
- **Validation –** Process for determining whether or not the requirements and the final system or software product fulfills its specific intended use, i.e., the correct software is built

The most significant contribution expected of the IV&V consultant is performing project oversight and acting in the role of a contract monitor to oversee the contractual obligations, performance and compliance of the proposer awarded the ITB for the modernization of the Recipient Subsystem in the Recipient Subsystem Reengineering and Redesign (RS-R&R) Phase II Project. The most significant contribution expected of the QA Consultant will be to supplement

State personnel during the Phase II development effort for the purpose of validating assumptions, providing implementation guidance, and assisting Medicaid Agency representatives with the testing effort when needed throughout the development life cycle. The final outcome for QA would be certification of the system by the Center for Medicare and Medicaid Services (CMS).

The IV&V activities must be accomplished independent of the QA activities and cannot be performed by the same staff.

As a part of the MITA & BPR Phase I Project, initiation of Recipient Subsystem Reengineering and Redesign (RS-R&R) Phase II project begins through the construction and awarding of two contracts. This RFP is the first, the second is an ITB. The IV&V/QA proposer that is awarded this contract shall be initially tasked with the responsibility of reviewing the Phase II ITB, developed as part of the MITA & BPR Phase I Project, which will solicit a proposer to oversee, redesign, redevelop, and implement the new Recipient Subsystem. The IV&V/QA proposer awarded this contract will also be engaged in validating the requirements for future Recipient Subsystem.

The Medicaid Agency's objective for bringing the IV&V/QA consultant on board at this stage of the MITA & BPR Phase I Project is to allow the IV&V/QA consultant to provide an assessment prior to the finalization of the ITB requirements and specifications for the modernization of the AMMIS Recipient Subsystem. Early participation by the IV&V/QA consultant is also expected to provide them advanced insight on the requirements and deliverables that shall be due under RS-R&R Phase II ITB and increase their knowledge and ability to perform their obligations of contract oversight, performance, and monitoring.

The Medicaid Agency is open to the possibility that consultant staff will be allocated at different phases of the project and may not always be full-time. The Medicaid Agency would expect to see fluctuations of the level of effort required by staff based on the project phase due to the different skills required in the different phases of a development life cycle. For example, Subject Matter Experts (SME) in Medicaid eligibility and eligibility systems may not have the QA experience needed to meet the qualifications and specifications outlined in Section 2, Statement of Work, but could be supported by another individual who would emphasize the QA aspect of the duties.

Since the ITB for the RS-R&R Phase II Project will not be released until after this RFP is awarded and following the on-site presence of the IV&V/QA consultant, the Agency cannot identify the system of implementation. However, the subsystem will meet the baseline requirements located in the Appendix B, meet all CMS certification requirements, and be aligned with MITA standards. All proposers should note that the requirements are only a baseline at this time and detail requirement sessions may result in minor changes in scope. The Medicaid Agency has committed to developing the future Recipient Subsystem within its existing SharePoint application environment, and to having the subsystem use the Agency's existing infrastructure to the maximum extent possible. That infrastructure will include a robust SharePoint 2010 implementation, the SharePoint-based KnowledgeLake document imaging and management system deployed to eligibility workers throughout the State, and over 200 production scanners of various capacities. The Agency has also obtained permission to use

those aspects of the Oklahoma OnLine Enrollment application which may be useful to the development of the Recipient Subsystem.

In general, the Recipient Subsystem will include the following:

- Data Repository for Recipient Data meeting CMS certification requirements for MMIS Beneficiary Management
- Tools to support: beneficiary outreach, intake and referral, document and workflow management, beneficiary verification and validation, beneficiary eligibility determination and enrollment, beneficiary case maintenance, and reporting
- Tools to support interfaces and data exchanges with other state, federal and private entities
- Tools to support third party liability identification
- Tools to support eligibility program integrity and quality assurance
- Tools to support Non-Emergency Transportation payment processing
- Tools to support MMIS reporting on recipients

In regards to technical architecture in general, the Agency will be seeking a solution that incorporates the Medicaid Information Technology Architecture (MITA) 2.01 Framework into a Service Oriented Architecture (SOA) solution that uses the Enterprise Service Bus (ESB) integration to enhance the interoperability of a technological innovated N-Tier system based on a rules-driven engine.

The RFP contains numerous instructions governing proposal submission requirements and the material to be included therein. These are mandatory responsiveness requirements that must be met to be eligible for consideration. Proposal responses shall be submitted consistent with the format and content specified in *Section 3 – Proposer Response Format.*

Failure, in whole or in part, to respond to a specific mandatory requirement shall result in rejection of the Consultant's proposal as non-compliant with the RFP requirements during the evaluation process or at any time that such deficiency is discovered. The Agency, at its sole discretion, reserves the right to waive minor irregularities. The Agency reserves the right to reject any and all proposals submitted in response to this RFP.

Subsequent to the opening of the sealed proposals, discussions may be conducted by the Agency with Proposers for the purpose of clarification to assure full understanding of and responsiveness to the solicitation requirements. Proposers shall be accorded fair and equal treatment with respect to any opportunity for discussion. Where it appears that a proposal submitted fails to meet mandatory responsiveness requirements, the Agency reserves the right to determine compliance of the Proposer.

1.1.6 Background

In order to solicit informed proposals for this RFP a background section is being presented which covers the following areas:

- Agency statistics
- Alabama Medicaid Management Information System (AMMIS)
- AMMIS Recipient Subsystem (RS)

- My Alabama (formerly Alabama Camellia II) Project
- MITA Assessment & BPR – Medicaid ITB#: 09-X-2205831
    - MITA 2.01 State Self-Assessment
    - Business Process Reengineering (BPR) Efforts

1.1.6.1 Alabama Medicaid Agency Statistics

Congress created Medicaid in 1965, under the provisions of Title XIX of the 1965 amendments to the Social Security Act. Medicaid started in Alabama in 1970 as a State Department of Public Health program. In 1977, the Alabama Medical Services Administration was made an independent State Agency. In 1981 it was renamed the Alabama Medicaid Agency (Agency). The Agency is responsible for assuring that Medicaid eligible Alabamians have the opportunity to request and receive Medicaid services by qualifying through an eligibility process. Providers of direct services are reimbursed for medical services received by Medicaid recipients. The Agency makes reimbursement for different services and functions using Federal and State matching funds. The Federal Financial Participation's (FFP) Federal Medical Assistance Percentage match (FMAP) for specific Medicaid cost can be up to 75 percent or higher with most other administrative costs receiving 50 percent Federal funding. The remaining funding percentage is made up of State or other funding sources. Enhanced Federal match of 90% is also available for information systems projects, such as the modernization of the Recipient Subsystem, for meeting requirements set out in SMM, 11210 and 42 CRF-433.15

During FY 2008, there were 920,937 persons eligible for Medicaid in at least one month of the year. The average number of persons eligible for Medicaid per month was 764,420. The monthly average is the more useful measure of Medicaid coverage because it takes into account the length of eligibility. Of the 920,937 persons eligible for Medicaid in FY 2008, about 83 percent actually received care for which the Agency paid. These 764,420 persons are referred to as recipients. The remaining persons incurred no medical expenses paid for by the Agency. Many of the individuals who had no medical expenses paid for by the Agency were partially eligible such as Qualified Medicare Beneficiaries (QMBs) only or Specified Low-income Medicare Beneficiaries (SLMBs).

Alabama's population grew from an estimated 4,681,833 in 2006 to 4,760,046 in 2008. The segment of the population eligible for Medicaid services has risen from 10.4 percent in FY 1990 to 19.3 percent in FY 2008. However, the segment of the population eligible for Medicaid services has dropped in recent years from 21.1% in 2006 to 19.8% in 2007 to the most recent 19.3% in 2008. Of those individuals receiving Medicaid in 2008, 38.3% are children.

Medicaid in Alabama covers these groups:

- Infants born to Medicaid-eligible pregnant women
- Children under age 6 and pregnant women whose family income is at or below 133 percent of the federal poverty level
- Children ages 6-18 whose family income is up to 100 percent of the Federal poverty level
- Recipients of adoption assistance
- Children in foster care through the Department of Human Resources

- Low income families with at least one child under 19 living in the home who meet the eligibility requirements in the state's AFDC plan in effect on July 16, 1996
- Supplemental Security Income (SSI) recipients determined eligible by the Social Security Administration
- Certain Medicare beneficiaries whose income is below a certain limit
- Special protected groups, including those who lose eligibility for cash assistance or SSI due to an increase in earnings from work, Social Security benefits or child/spousal support
- Institutionalized individuals with income and resources below specified limits
- Certain aliens may receive emergency services if they meet all other program requirements except for citizenship/alien status
- Females under age 65 in need of treatment for breast or cervical cancer who have been referred through the National Breast and Cervical Cancer Early Detection Program
- Individuals who qualify for optional waiver programs, such as Plan First (family planning), State of Alabama Independent Living (SAIL), Elderly & Disabled, Mentally Retarded, Technology Assisted, and HIV/AIDS

1.1.6.2 Alabama Medicaid Management Information Systems (AMMIS)

The Medicaid Agency outsources its claims processing and adjudication services to a Fiscal Agent in a Medicaid Management Information Systems (MMIS) business model approved and certified by the Centers for Medicare & Medicaid Service (CMS). The Medicaid Agency's current Fiscal Agent is Hewitt Packard Enterprise Services (HP). As the Agency's Fiscal Agent, HP processes and adjudicates approximately 24 million claims on an annual basis with an estimated cost of 3.5 to over 4 billion dollars annually.

In February of 2008, the Agency upgraded its MMIS through a contract amendment and implemented interChange, HP's latest MMIS application software system. ***It is important to note that Medicaid's Recipient Subsystem is a separate State maintained application system that is not part of the HP interChange system***. The basic interChange architecture was transferred into Alabama from the HP developed MMIS currently running in the State of Oklahoma. Alabama's version of the Oklahoma interChange application system was enhanced to include multi-payer and improved benefit plan processing, as well as a state-of-the-art multi-layer architecture. This multi-layer architecture commonly called N-Tier Architecture in the IT industry consist of a presentation layer/tier, business layer/tier and a data layer/tier. The CMS-certified base system is a highly developed and feature-rich system centered on a Medicaid relational data model. It divides the application into components so that they process on different networked computers. This design and supporting architecture delivers enhanced flexibility, scalability, and reliability, as recognized by the National Association of State Information Resource Executives (NASIRE) Award for innovative use of technology that the system received after its implementation in Indiana. The interChange system is composed of different software components that are loosely joined and arranged in various software and architectural patterns to enable ease of use, development, and maintainability. The core components include MMIS batch processing developed in the C programming language executing in a Unix environment and an N-Tier web-based user interface written primarily in C# (C Sharp), utilizing Microsoft ASP.NET. The MMIS data layer/tier resides in an Oracle 10 gigabyte database. Critical software components for letter generation, ad-hoc reports, optical

character recognition, electronic document storage and management and Electronic Data Interchange (EDI) are also integrated into the interChange system.

The high-level diagram below in Figure 1 depicts the basic business model used to construct the architecture of the Alabama specific interChange system.

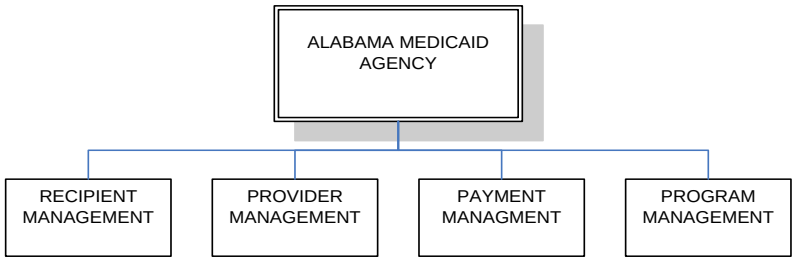

Figure 1 Alabama interChange Architecture

As shown in the above high level business model, the AMMIS is engineered to support the identified key core business functions and management areas consisting of Recipient Management, Provider Management, Payment Management, and Program Management. The Recipient Management components of interChange support the following business function areas: Recipient, Long Term Care, Managed Care, Early and Periodic Screening, Diagnosis and Treat (EPSDT), Comprehensive Recipient On-Line Collections (CROCS) and the Eligibility Verification System (EVS).

It is important to note that the Recipient Management component receives recipient data from the separate State maintained AMMIS Recipient Subsystem (described in the following section), which is the focus of modernization in the R&R RS Phase II Project.

The Provider Management business area components of interChange support Medicaid's key function areas of: Provider Enrollment, Provider Maintenance, and Provider Communications. Payment Management supports the key business component of Claim Encounters, Drug Rebate, Reference, Prior Authorization, Third Party Liability (TPL), Financial, and Drug Utilization Review. Business modules within the Program Management component of interChange supports: General Requirements, the Decision Support System (DSS), Management Administrative Reporting Subsystem (MARS), Surveillance Utilization Review (SUR), and an Integrated Test Facility (ITF). All of the identified business components, functions, and management areas depicted and identified above make-up the infrastructure of the AMMIS.

1.1.6.3 AMMIS Recipient Subsystem (RS) aka AMAES

This section of the RFP provides background reference information on the AMMIS Recipient Subsystem to support this RFP. The Alabama Medicaid Agency's current AMMIS Recipient Subsystem infrastructure is made up of many automated and manual components. These integrated components makeup the subsystems that support the following Federal/state/private departments/agencies/program divisions/entities:

- Medicaid's Beneficiary Services Divisions

- Medicaid's Third Party Liability Buy-In Division
- Medicaid's NET Program (within the Administrative Services Division)
- Medicaid's Managed Care (Medical Services Division)
- Medicaid's Long Term Care Division
- Medicaid's Program Integrity Division
- Department of Human Resources (HIPAA 270/271, Foster Care Children, State Supplementation, Child Support, Income Eligibility Verification System (IEVS), Assets/Facets System)
- Department of Public Health (HIPAA 270/271 Transactions, Web Applications/ADI, Third Party Newborn Insurance, Date of Death Match, Plan First Family Planning Waiver, eSignature)
- Department of Rehabilitation (Waiver Programs, HIPAA 270/271 Transactions)
- Department of Mental Health (NET, HIPAA 270/271 Transactions)
- Department of Senior Services (Waiver Programs)
- Department of Industrial Relations (Employer Third Party Liability Match)
- Social Security Administration (State Data Exchange (SDX), State Verified Eligibility System (SVES), Beneficiary Earnings Data Exchange (BENDEX))
- Centers for Medicare & Medicaid Services (Medicare Modernization Act of 2003 (MMA Part D), Payment Error Rate Measurement (PERM), Medicaid Statistical Information System (MSIS), Medicare Buy-In (Part A & B), Electronic Data Base (EDB))
- Internal Revenue Service (Annual File Match on Earned and Unearned Income)
- Alabama Medicaid Managed Information Systems (AMMIS) Fiscal Agent HP, recipient and associated data file exchanges)
- Private and State Government Entities (HIPAA 270/271 Transactions)

Medicaid's Alabama Medicaid Application and Eligibility System (AMAES) mainframe system, with its secondary related subsystems interfaces (automated and manual), is the primary and integral software component of the AMMIS Recipient subsystem that binds the above business functions and areas together. Originally created as a mainframe based Indexed Sequential File (ISAM) in 1978, AMAES was rebuilt as a variable length file that utilized a Virtual Sequential Access Method (VSAM) database management structure in 1983. The rebuilt AMAES was put into production in 1984. The 2010 calendar year of this RFP means that the legacy AMMIS Recipient primary and secondary subsystems shall have realized an extraordinary software life span of over 30 years. Due to the advances in technology and the changing business needs of the Medicaid Agency, the need for modernization has resulted in the current and future ITBs and RFPs described throughout this RFP.

1.1.6.4 My Alabama (formerly Camellia II) Project

The My Alabama Project's focus is to increase health and human service outcomes for children and families by building an integrated HHS infrastructure to coordinate technology and business processes of multiple systems that provide services to Alabama clients and families. The Medicaid Agency has been one of the lead agencies in the pilot with its Medicaid for Low Income Families program. Other agencies participating in the pilot are the Department of Human Resources (the Food Stamp and TANF programs), Public Health (ALLKids, SCHIP),

Mental Health (Mental Retardation Services), and Rehabilitation Services (Children's Rehab Services).

My Alabama Project's background is being presented as information to the prospective proposers as the project intends to overcome disparate systems unfriendly to clients and the increasingly complex eligibility processes facing families through a combination of technology innovation and service delivery improvements. As these goals are realized, it may have some impact on the modernized recipient subsystem.

Designed to integrate with existing systems, My Alabama plans to utilize middleware technology (BizTalk) and the use of an Enterprise Service Bus (ESB) distributed solution to allow agencies to improve their ability to serve clients through:

- An automated web based outreach screening and referral function that directly links with State agencies and links referrals across agencies
- Building and maintaining a Common Client Index to be used in cross agency common client identification and referral
- An automated sharing of eligibility information across agencies
- An automated initial client and worker scheduling function to reduce the number of office visits
- The ability for clients to access screening, referral and eligibility from any site with internet access
- Providing enabling technology to case managers so they can coordinate case management actives for families

For more specific details and background on the My Alabama (Formerly Camellia II) Project, visit the link below:

http://www.medicaid.alabama.gov/documents/News/Transformation/Camellia_Project_CHHS_Framework_Final.pdf

1.1.6.5 MITA Assessment & BPR Project – Medicaid ITB#: 09-X-2205831

In March 2009, the Alabama Medicaid Agency solicited proposals for consultant support and technical assistance for the Medicaid Information Technology Architecture (MITA 2.01) State Self-Assessment and Business Process Reengineering Project. The Agency awarded FOX Systems and their sub-consultant, Beacon Analytics, the contract for this ITB. As referenced previously, this engagement is Phase I of the RS-R&R Project and the final outcome is the transition to Phase II. The following two subsections provide a current status of these efforts.

The MITA Assessment & BPR Project has been renamed the Recipient Subsystem Modernization Project to better communicate the purpose of the project. While the initial project had the limited scope of Phase I of the Agency's Recipient Subsystem Modernization initiative, the project now has the scope of both Phase I and II of the modernization effort.

1.1.6.5.1 MITA 2.01 State Self-Assessment Efforts

One goal of this project was to conduct a MITA 2.01 State Self-Assessment (SS-A). The Alabama Medicaid Agency (the Agency) State Self-Assessment included:

- Business Process As Is Assessment and Validation
- Systems and Technology As Is Assessment [Technical Assessment (TA)]
- Targeted To Be Business Process Planning

The SS-A consists of two components: the business and technical assessments. The business assessment and the technical assessment were conducted in parallel.

Based on the information gathered in the Business Process sessions, Maturity levels for each process were assessed for both As Is and To Be. The time frame for To Be assessment requested by Alabama Medicaid Agency in the ITB was up to three years. The goal of the State Self-Assessment (SS-A) was to produce an assessment based on current and future MITA alignment and interoperability of:

- The Alabama Medicaid Management Information Systems (AMMIS)
- The Recipient Subsystem of the AMMIS and the related subsystems
- Medicaid's Together for Quality (TFQ) Transformation Grant Health Information System (HIS) Project
- My Alabama Project (formerly Camellia II Project) to increase health and human service outcomes for children and families by building an integrated Health and Human Services (HHS) infrastructure to coordinate technology and business processes of multiple systems

For all business processes, Alabama is currently at a MITA Maturity Level 1. The State wants to progress to MITA Maturity Level 3 for most business processes.

1.1.6.5.2 Business Process Reengineering (BPR) Efforts

As an output of the ITB for MITA Assessment & BPR, and prior to the issuance of this RFP for IV&V/QA consultant services, an assessment, analysis, and design document for BPR was completed. It is imperative that business processes of the Medicaid Agency's AMMIS Recipient Subsystem be reengineered and the IT components be redesigned and reengineered around the MITA 2.01 Framework for a successful and complete modernization of AMAES. Ultimately, the successful modernization of AMAES shall result in a more comprehensive system that shall meet the emergent needs of clients and react expeditiously to the myriad of changes required of the Medicaid Agency.

The objective of the detailed BPR analysis was to provide recommendations for both near- and longer-term improvements to the Agency's beneficiary-related business functions, laying the foundation for the development of a new Recipient Subsystem. The most overarching recommendations are:

- Implement the Self Service Web Portal
- Modify and Enhance the New Online Application for Medicaid Coverage
- Central Imaging and Document Management
- Implement an Electronic Case Record
- Implement System-Generated Forms

- Implement a Web-Based Worker Portal
- Additional Data Sharing and Data Matching
- Implement Automated Reports, Alerts, and Controls

1.1.7 Schedule of Activities

The following timetable is anticipated for the procurement process. Note that if addendums or oral presentations are determined to be required, the dates in the following table may need to be updated.

Table 1 Procurement Timetable

Activity	Date	Central Time
Request for Proposal (RFP) is Issued	August 17, 2010	5:00 PM CST
Deadline for Submitting Questions to be Answered at the Pre-Proposal Conference	September 2, 2010	5:00 PM CST
Mandatory Pre-Proposal Conference	September 9, 2010	10:00 AM CST
Deadline for Submitting Questions after Pre-Proposal Conference	September 16, 2010	5:00 PM CST
Answers to Questions will be posted on website	September 23, 2010	5:00 PM CST
Proposal Submission Date	September 30, 2010	5:00 PM CST
Opening of Proposal Responses	October 1, 2010	9:00 AM CST
Selection of Winning Proposer	October 22, 2010	5:00 PM CST
CMS Approval of Contract	November 30, 2010	5:00 PM CST
Legislative Oversight Committee Review and Governor's Approval of Contract	December 2, 2010	5:00 PM CST
Notice of Award (Estimated)	December 6, 2010	5:00 PM CST
Consultant Begins Work (Estimated)	December 13, 2010	8:00 AM CST

1.1.8 Project Timeframe

Please refer to Section 5 – General Terms and Conditions – Section 5.1.6, Terms of Contract.

1.1.9 RFP Governance

The Commissioner of Medicaid, the Executive Steering Committee, and the Medicaid RFP Project Manager (See Section 1.1.10) shall head the governance over this RFP. The Executive Steering Committee shall have approving authority on all Consultant contracted RFP

requirements, deliverables and issues falling under this RFP. The Commissioner shall have final approving authority on RFP requirements, deliverables, and issues that require a decision above that of the Executive Steering Committee. The Agency has designated a Medicaid RFP Project Manager to perform the overall management of the project from the Medicaid Agency's perspective. The Primary Coordinator, Secondary Coordinators and MMIS Coordinator (see next subsection) shall assist the Medicaid RFP Project Manager and the awarded Proposer with resolving questions or issues involving the Medicaid Agency staff and stakeholders. The project organization chart in Section 2.1.4 depicts the governance of this RFP. In the bullet section below is a listing of the positions of individuals that serve as governance resources.

Executive Steering Committee:

- Deputy Commissioner of Administrative Services
- Deputy Commissioner of Beneficiary Services/Secondary Coordinator
- Deputy Commissioner Financial Management
- Deputy Commissioner Program Administration
- Director, Elderly/Disabled Division
- Director, Family Certification Division
- Associate Director, Program Integrity Quality Control
- Director, Third Party Liability Division
- Director, Certification Support Division/Secondary Coordinator
- Information Systems Director/Primary Coordinator
- Associate Director, NET Program, Administrative Services Division
- Office of General Counsel

Medicaid Agency RFP Project Manager:

- The Medicaid Agency shall provide the resources or access to the resources to support the RS-R&R Phase II Project. If an identified resource is identified as being needed by the Consultant that resource may be scheduled and allocated by the project manager. This will be based on the Consultant's assessment and analysis needs and/or approved Project Plan and Schedule. Meetings and/or interviews with Medicaid Agency staff/SMEs or stakeholders shall be coordinated with and through Medicaid Agency RFP Project Manager.

1.1.10 Medicaid Agency RFP Project Manager

The individual designated as the Medicaid RFP Project Manager performs the following duties and tasks:

- Overall project management
- Act as an intermediary between the Medicaid Agency and the Consultant to coordinate activities
- Assist in resolving and communicating questions or issues
- Coordinate stakeholder involvement with the Primary and Secondary Coordinators
- Monitor the Consultant's performance to ensuring contractual requirements are met

- Coordinate the review and approval of Consultant deliverables
- Continue project oversight for the MITA & BPR Phase I Project through the transition to the RS-R&R Phase II Project
- Coordinate and assist the Primary Coordinator with the approval and payment initiations to the Awarded Consultant based approved deliverables
- Coordinate RFP activities as needed with the Primary Coordinator, the Secondary Coordinators and the MITA Coordinator and the Executive Steering Committee
- Act as the primary point of contact for the Consultant, Medicaid staff and stakeholders for activities related to this RFP

The Medicaid Agency RFP Project Manager is:

John Napier
Information Systems Division
Alabama Medicaid Agency
501 Dexter Avenue, Suite 8026C
P. O. Box 5624
Montgomery, Alabama 36103-5624
Telephone: (334) 353-3124
Fax: (334) 242-0544
Email: john.napier@medicaid.alabama.gov

1.1.11 Project Coordinators and MMIS Coordinator

In order to channel communication to the proper individuals, the Medicaid Agency State Project Manager will arrange for consultant access to the project coordinators and MMIS coordinator. The Medicaid Agency's Director of the Information Systems Division is designated as the Primary Coordinator for this RFP. The Primary Coordinator shall perform the following RFP-related tasks and duties for all stages of this RFP:

- Assist the designated Medicaid Agency RFP Project Manager with resolving and communicating questions or issues to the Awarded Consultant, Medicaid Agency staff or other stakeholders
- Assist the designated Medicaid Agency RFP Project Manager with coordinating stakeholder involvement
- Act as an intermediary between Medicaid Agency RFP Project Manager and the Consultant to coordinate IT stakeholder business processes, activates and legacy system IT functionality
- Assist the designated Medicaid Agency RFP Project Manager with monitoring the Consultant's performance to ensure contractual requirements are met
- Assist the designated Medicaid Agency RFP Project Manager with approving and initiating payment to the Consultant based on approved deliverables,
- Assist with the coordination of RFP activities as needed with the Secondary Coordinators, the MITA Coordinator, the Executive Steering Committee, or the Commissioner

- Assist with decisions on RFP terms and conditions or Agency policy as needed
- Act as a primary point of contact for the designated Medicaid Agency RFP Project Manager and the Awarded Consultant

The individuals designated as the Secondary Coordinators by this RFP shall perform the following duties and tasks:

- Assist the designated Medicaid Agency RFP Project Manager with resolving and communicating questions or issues related to the Beneficiary Services stakeholder's (staff and client) involvement, business processes, and legacy system functionality
- Assist the designated Medicaid Agency RFP Project Manager with monitoring the Consultant's performance to ensure contractual requirements are met

The Medicaid Agency's designated MMIS Coordinator under this RFP shall assist the Medicaid Agency RFP Project Manager in *coordinating MMIS and MITA related activities,* such as the following activities:

- Address HIPAA Privacy issues or questions
- Address interChange system issues or questions
- Ensure contractual requirements are met
- Review and approve the Consultant's required deliverables prior to submission to the Executive Steering Committee for final approval

The Primary, Secondary Coordinators, and MITA Coordinator designated under this RFP are as follows:

Primary Coordinator

Terrell Flowers, Director
Information Systems Division
Alabama Medicaid Agency
501 Dexter Avenue, Suite 5018
P. O. Box 5624
Montgomery, Alabama 36103-5624
Telephone: (334) 242-5901
Fax: (334) 242-0544
Email: Terrell.Flowers@medicaid.alabama.gov

Secondary Coordinators

Lee Rawlinson, Deputy Commissioner
Beneficiary Services
Alabama Medicaid Agency
501 Dexter Avenue, Suite 4030
P. O. Box 5624
Montgomery, Alabama 36103-5624
Telephone: (334) 242-5601
Fax: (334) 242-0556
Email: Lee.Rawlinson@medicaid.alabama.gov

Gretel Felton, Director
Certification Support
Alabama Medicaid Agency
501 Dexter Avenue, Suite 6054
P. O. Box 5624
Montgomery, Alabama 36103-5624
Telephone: (334) 242-1720
Fax: (334) 242-0566
Email: Gretel.Felton@medicaid.alabama.gov

MMIS Coordinator

Clay Gaddis
MMIS Coordinator/Privacy Officer
Alabama Medicaid Agency
501 Dexter Avenue, Suite 5032
P. O. Box 5624
Montgomery, Alabama 36103-5624
Telephone: (334) 242-5917
Fax: (334) 242-0544
Email: clay.gaddis@medicaid.alabama.gov

1.1.12 News Releases

News releases pertaining to this RFP shall not be made without prior written approval of the Medicaid Agency.

1.1.13 Payment

The Agency shall provide payment to the Consultant in accordance with the Alabama Medicaid Agency Consultant's proposal sheet and Medicaid Agency payment policies.

Payment shall be made monthly for the Agency approved Consultant staff hours worked and tasks/deliverables/requirements received and approved.

The Consultant shall submit invoices to the Medicaid Agency RFP Project Manager on a monthly basis for approved services and deliverables rendered to the Agency in the previous month. Each monthly invoice shall have a cover letter/memo addressed to the Medicaid Agency RFP Project Manager printed on the Consultant's company letterhead. Attached to the Consultant's letter/memo shall be the Consultant's invoice. The invoice shall contain summary level descriptions of each invoiced line item. All Consultant staff signed timesheets for the billing period must be attached to the invoice. The Consultant's staff resource and the Consultant's Project Lead must sign each Consultant staff's timesheet. Items appearing on the monthly Consultant's invoice must be line items identified as part of this contract, invoiced according to the Consultant's fixed quoted price for deliverables and a computed summary level cost for the Consultant's staff hours worked based upon the Consultant's quoted rate per hour

for each staff member multiplied by the actual hours worked. ***The total accumulated hours for each Consultant staff resource must not exceed the total hours quoted for each staff resource by the Consultant in their proposal response.*** One full copy of the invoice documentation (cover letter, invoice, and timesheets) shall also be provided to the Primary Coordinator.

During the life of the Contract for this RFP, payment of 90% of the amount proposal per task/deliverable/requirement will be paid to the Consultant following the Medicaid Agency's approval of tasks/deliverables/requirements for services rendered with the exceptions noted below. The Medicaid Agency will retain an amount equal to 10% of each task/deliverable/requirement cost (withholding) which will be paid to the Consultant at the successful completion of all tasks. The Awarded Consultant's monthly invoices must show the 10% withholding amount for task/deliverables/requirements deducted from the total amount of the invoice. ***The total amount billed under this RFP by the Consultant, including the 10% withholding, shall and cannot exceed the total fixed price agreed to under this contract.***

1.1.14 Inquiries

Unless otherwise noted, prospective Proposers may make written inquiries concerning this RFP to obtain clarification of requirements. Telephone or fax inquiries will not be accepted. No inquiries will be accepted after the deadline for questions as specified in the *Schedule of Activities*. Send all inquiries to:

John Napier
Project Manager
MITA Assessment and BPR Project
Alabama Medicaid Agency
P. O. Box 5624
501 Dexter Avenue - Room 8026C
Montgomery, Alabama 36103-5624

We encourage the use of email.

E-Mail Address: john.napier@medicaid.alabama.gov

Proposers shall mark envelope /email subject line "Recipient Subsystem IV&V RFP – Inquiry."

Any attempt by a Proposer to contact any employee of the Alabama Medicaid Agency regarding this RFP prior to proposal award, other than as specified in this RFP, shall be deemed to be a violation of proposal requirements and shall result in the Proposer's proposal being rejected.

Proposers should not rely on verbal statements that alter any specifications or other terms or conditions of the RFP.

1.1.15 Mandatory Pre-proposal Conference

A mandatory Pre-Proposal Conference will be held on the date and time specified in the *Schedule of Activities*, at the Alabama Medicaid Agency at 501 Dexter Ave, Montgomery, Alabama. **Attendance at the pre-proposal conference is mandatory for all Proposers who plan to submit proposals. A Proposer's failure to attend the pre-proposal conference will cause its proposal to be rejected**. Such topics as organizational structure, Agency history, and current and planned program activities shall be addressed by Agency personnel.

The pre-proposal conference is intended to be an interactive exchange of information. Since impromptu questions shall be permitted and spontaneous answers may be provided, Proposers should clearly understand that oral answers given at the conference are not binding, but are good faith efforts to give correct useful information. No further questions will be permitted after the date specified in the *Schedule of Activities*. Final and binding answers to all questions whether submitted via email or asked at the pre-proposal conference will be distributed to all conference attendees on the date specified in the *Schedule of Activities*. All answers to questions will be distributed by email to those Proposers in attendance of the Pre-proposal conference.

Answers to written questions received by the Medicaid RFP Project Manager before the pre-proposal conference by the deadline specified in the *Schedule of Activities* shall be distributed at the pre-proposal conference. Prospective Proposers will be given time to review the written questions and answers during the Mandatory Pre-proposal conference. An opportunity will be given to ask questions to clarify any uncertainties that may exist.

1.1.16 Agency Proposal Opening Rights, Proposal Questions, and Contacts

The Agency reserves the right to reject any proposals submitted in response to this RFP.

Subsequent to the opening of the sealed proposals, discussions may be conducted by the Agency with Proposers for the purpose of clarification to assure full understanding of and responsiveness to the solicitation requirements. Proposers shall be accorded fair and equal treatment with respect to any opportunity for discussion. In conducting any such discussions, there shall be no disclosure of any information derived from proposals submitted by competing Proposers.

Any questions regarding solicitation requirements for this RFP must be written and submitted by the designated due date and time specified in the *Procurement Timetable* to the Alabama Medicaid Agency Point of Contact at the address shown above. Questions will not be addressed over the telephone. Responses to Proposer's questions shall be made available to all Proposers attending the Mandatory Pre-Proposal Conference on the date and time designated in the *Procurement Timetable.*

1.1.17 Proposer's Submission

Proposals must be received on or before the deadline in the Procurement Timetable. Late proposals shall not be accepted. It is the responsibility of the Proposer to ensure that the proposal is received by the Alabama Medicaid Agency in accordance with the Procurement Timetable. The proposal, packaged in accordance with the Section 3, Proposer Response Format, shall be sent by mail to:

Alabama Medicaid Agency
PO Box 5624
Montgomery, AL
36103-5624

Attention: John Napier

Or, the Proposal may be delivered to:
Alabama Medicaid Agency
501 Dexter Avenue
Montgomery, AL 36104

Attention: John Napier

The State of Alabama Request for Proposal (RFP) form must be signed in ink by the Proposer or other entity that is legally authorized to bind the Proposer to the proposal. The Request for Proposal (RFP) form must also be notarized.

Proposals not meeting these requirements shall not be accepted.

The Medicaid Agency desires and encourages that proposals be submitted on recycled paper, printed on both sides. While the appearance of proposals and professional presentation is important, the use of non-recyclable or non-recycled glossy paper is discouraged.

1.1.18 Addendum or Supplement to RFP

In the event that it becomes necessary to revise any part of this RFP before the mandatory pre-proposal conference, an addendum shall be provided to each Proposer who received the original RFP. In the event that it becomes necessary to revise any part of this RFP after the mandatory pre-proposal, an addendum shall be provided to each Proposer who registered at the pre-proposal conference.

1.1.19 Oral Presentations

The Agency reserves the right to request oral presentations during the Evaluation Phase. The purpose of the oral presentation is to allow for interchange between the Proposer, Medicaid Agency staff and the Evaluation Committee. It shall be the Agency's option to determine the schedule and format for oral presentations/demonstrations. Proposers will be notified in advance of the time and location and selected items of any such presentations.

The oral presentations and demonstrations will provide an opportunity to 1) provide an overview of the merits of the Proposal, 2) answer questions raised by evaluators in the course of reviewing the Proposals, and 3) assist the Evaluation Committee in verifying the capabilities and functionality of the proposed system. The Evaluation Committee shall have the opportunity to

ask for clarification of information in the proposal. No written supplementation of the proposal will be permitted. Responsiveness will be determined on the written proposal.

During the oral presentations, Proposers shall not discuss the merits or qualifications of other Proposers. Failure to observe this proposal requirement shall result in the proposal being rejected as non-compliant.

The Agency may, at its discretion, establish such procedures and rules of conduct as it may deem appropriate, and may enforce such procedures and rules of conduct. Failure to observe these procedures and rules of conduct shall result in the proposal being rejected as non-compliant.

1.1.20 Acceptance of RFP Terms

A proposal submitted in response to this RFP shall constitute a binding proposal response. The provisions of this RFP and all attachments constitute contractual terms and conditions. These provisions, as amended, shall supersede any contradictory or inconsistent language in the successful Proposer's response. A submission in response to this RFP acknowledges acceptance by the Proposer of all terms and conditions, including performance and compensation, as set forth in this RFP. The Proposer, by signing the proposal sheet, certifies that it accepts all of the terms and conditions, including performance and compensation of this RFP in full, without reservations, limitations, assumptions, restrictions, caveats, or any other type of qualification. A response that fails to comply with this condition shall be disqualified as nonresponsive. Further, any amendment to this RFP shall be signed and returned with the proposal or the proposal shall not be considered.

All proposals become the property of the State of Alabama, and may not be returned to the Proposer. Only proposals that conform to the requirements of this solicitation shall be acceptable. The State reserves the right to reject any or all proposals. There is no guarantee that a contract shall result from this solicitation. The State accepts no obligation for costs incurred by any Proposer in the preparation of a proposal in response to this RFP.

1.1.21 Confidential/Proprietary Information

Other than the proposal prices, all documents and other materials pertaining to the proposals shall be held confidential until issuance of award. After that time, pursuant to State law and Agency policies, all original proposals together with all documents pertaining to the award of contract will be retained and made a part of the file or records and shall be open to public inspection at the Alabama Medicaid Agency.

1.1.22 RFP Response Material Ownership

All material submitted regarding the RFP becomes the property of the State of Alabama.

Because all material will be available to the public, no Proposal will be accepted with pages marked ‘Proprietary’ or ‘Confidential’ or any other labeling suggesting that the material may not be ultimately made available to the public.

1.1.23 Proposal Prices

Proposer shall submit a firm and fixed price for the services described in the RFP. Proposer shall proposal a price that reflects any business risk it perceives in the way the proposal specifications are stated. Proposer shall not anticipate nor rely on clarifications, discussions, redefinition, or further negotiations with the Agency after the contract award to adjust the price that is contained in its proposal for the work required by the RFP. Any efforts by a Proposer to limit, qualify, caveat, restrict or place conditions upon the price being proposal shall be considered to be a violation of the firm and fixed price submission requirement and shall result in the proposal being rejected as non-responsive.

1.1.24 Selection of Proposal

After review of the Evaluation Committee's recommendation for award, the Commissioner of the Medicaid Agency shall make the decision on award of contract. The Agency shall issue a notice of intent to award to the successful Proposer. Contract execution is contingent upon review and approval by CMS, the Alabama Legislative Oversight Committee, and the Governor.

1.1.25 RFP Cancellation

The State reserves the right to cancel this Request for Proposal at any time, without penalty.

1.1.26 State Ownership of Contract Products/Services

All proposals, upon established opening time, become the property of the Agency. All products/services produced in response to the contracts resulting from this RFP, including the executed contracts, RFP, and any amendments thereto, shall be the sole property of the Agency. Proposer's response to the RFP, the Agency's written responses to prospective Proposers' questions, and Proposer's clarifications as requested by the Agency during the evaluation process shall become contractual obligations.

1.1.27 Incurring Costs

The State of Alabama is not liable for any cost incurred by Proposers prior to issuance of a legally executed contract.

1.1.28 Parent Company

If a Proposer is owned and controlled by a parent company, the main office address and parent company's tax identification number shall be provided in the proposal response.

1.1.29 Certification of Independent Price Determination

The following certifications must be provided by the proposer:

1. By submission of this proposal each Proposer certifies and in the case of a joint proposal each party thereto certifies as to its own organization that in connection with this procurement the following:
    a. The prices in this proposal have been arrived at independently, without consultation, communication, or agreement, for the purpose of restricting competition as to any material relating to such prices with any other Proposer or with any Competitor

b. Unless otherwise required by law, the prices which have been quoted in this RFP have not been knowingly disclosed by the Proposer and shall not knowingly be disclosed by the Proposer, directly or indirectly, to any other Proposer or to any Competitor prior to opening
c. No attempt has been made or shall be made by the Proposer to induce any other person or firm to submit or not to submit a proposal for the purpose of restricting competition

2. Each person signing the proposal form certifies that:
   a. He/she is the person in the Proposer's organization responsible within that organization for the decision as to the prices being offered herein and that he/she has not participated, and shall not participate, in any action contrary to 1(a) through 1(c) above
   b. He/she is not the person in the Proposer's organization for the decision as to the prices being offered herein but that he/she has been authorized in writing to act as agent for the person(s) responsible for such decision in certifying that such persons including said agents have not and shall not participate in any action contrary to 1(a) through 1(c) above

1.1.30 Performance Bond

Please refer to Section 5 – General Terms and Conditions, Section 5.5.9 - Performance Bond.

1.1.31 Public Opening of Proposal

A public opening of the proposals will be held as specified in the Procurement Timetable, at the Alabama Medicaid Agency at 501 Dexter Avenue unless otherwise specified. A register of proposals consisting of the names and addresses of Proposers will be prepared and made available for public inspection.

1.1.32 Proposal Submission Requirements

Please refer to Section 3 – Proposer Response Format.

1.1.33 Granting of Contract

The contract awarded under this RFP will be made to the Proposer having the highest overall proposal evaluation score.

The Agency reserves the right to add provisions consistent with the successful Proposer's offer and to negotiate with the successful Proposer other additions to or deletions from, and/or changes in the language in the contract, provided that no such addition, deletion or change in contract language shall alter the scope of work required and/or the evaluation criteria set forth herein. Additions to, deletions from and/or changes in language of the contracts shall not result in additional compensation over and above that proposal by the successful Proposer for the scope of work specified in the RFP, the amendments thereto, the written answers to questions or any clarifications requested by the Proposer during the evaluation process.

Prior to finalization of award, the selected Proposer may be required to enter into discussions with the Alabama Medicaid Agency to resolve any contractual differences before an award is made. These discussions must be finalized and all exceptions resolved within seven working days of notification of award; if not, the proposal will be rejected and discussions initiated with the Proposer having the next highest proposal evaluation score.

1.1.34 Disclaimer

All statistical and fiscal information contained in the RFP and its exhibits, including amendments and modifications thereto, reflect the best and most accurate information available to the Agency at the time of RFP preparation. No inaccuracies in such data shall constitute a basis for an increase in payments to the Proposer a basis for delay in performance nor a basis for legal recovery of damages, either actual, consequential or punitive except to the extent that such inaccuracies are shown by clear and convincing evidence to be the result of intentional misrepresentation by the Medicaid Agency.

1.1.35 Proposers Qualifications

The Proposer shall demonstrate that their company has the relevant experience providing the services defined in this RFP, and that the staff proposed for positions on this Project has the appropriate knowledge and experience obtained on Projects of similar nature, size, and scope. The Agency may require substitution/replacement of any key personnel assigned to the Project if it determines that person does not possess the skills necessary to satisfactorily complete the tasks assigned.

The successful Proposer shall have a minimum of five prior years experience in the delivery of IV&V consultant services and Quality Assurance consultant services on projects involving the design, development, and implementation of large systems. Experience preferably will be from the last five years, although earlier experience may be submitted if it demonstrates continuity of services over a broad span of years. The Proposer should also include in this section any experience with Federal requirements for Medicaid programs and/or Medicaid Management Information Systems, or other Federal programs such as HIPAA, FDA, or related service areas.

Proposers must provide an assurance that they have the staff to produce the Project deliverables. The proposer will provide an organizational chart and staffing plan of the individuals proposed to work on this Project.

Key staff must have experience and knowledge with Medicaid health plans and claims/eligibility systems, including at least two engagements within the past four years. Prior experience must include at least one client reference for an IV&V project and one client reference for a QA project.

The Proposer will provide resume(s) for the key personnel proposed for this project. The Proposer is required to demonstrate that their consultant(s) or employee(s) will have the skills necessary to meet the objectives of this project as listed below. The resumes must include:

- Educational qualifications
- Summary of employment experience
- Specific experience with the service areas for which they are being proposed

- Any Medicaid Management Information Systems or comparable systems
- Previous work assignments in a similar role for this type of engagement demonstrating ability to meet the objectives listed below:
    - Proven experience with Consulting, Project Administration and Technical Assistance for State Government MMIS for a period of at least two years within the last four years
    - Core competency in IV&V and QA as demonstrated by the resume
    - Experience in the design, development, testing, and implementation of a MMIS or Medicaid eligibility system
    - Government or public sector experience
    - In-depth knowledge of Medicaid health plans
    - Highly developed written and verbal communication skills

The State has adopted a project management methodology based on principles set by the Project Management Institute (PMI). It is strongly believed that a competency in sound project management principles is critical to the success of any project awarded by the State. Therefore, the successful Proposer will demonstrate a competency in this area, including project management methodology, supporting tools, and qualified resources. The Proposer should propose staff to serve as the Project Lead for this project. The Project Lead must have comprehensive knowledge of IV&V and QA along with the skills and knowledge listed above and competency in the management of work in their effort.

The State will expect the Proposer to be familiar with, assess and interact with a development vendor's use of software development life cycle methodologies, including interative and Agile/Adaptive methods.

Proposers should propose staff with experience in projects using Microsoft SharePoint, .Net, SOA, SQL, and rules engines.

2 STATEMENT OF WORK

2.1 General Organization

2.1.1 Introduction

The following subsections list the Consultant's and Medicaid's basic facility and staffing requirements followed by a table of deliverables that shall be met and produced under this RFP. All requirements, tasks, and deliverables shall be delivered or met by the timeframes designated within the subsections of this section. The Executive Steering Committee and/or the Medicaid RFP Project Manager, the MMIS Coordinator and/or the Primary and Secondary Coordinators must approve all identified deliverables due under this RFP. Approved deliverables means that the deliverable is of acceptable quality and content, without any Medicaid reviewer recommended changes or unacceptable comments. Medicaid's RFP Project Manager shall be responsible for recording, tracking and marking the Medicaid accepted deliverables as "APPROVED." ***Medicaid shall pay the Awarded Consultant for approved deliverables only.*** Additional information on the review process is provided in Section 2.3.4.

The Recipient Subsystem Reengineering and Redesign Phase II Project (RS-R&R) involves separate and distinct contracts and consultants performing the following tasks:

- Quality Assurance/Independent Verification & Validation (QA/IV&V)
- Redesign and Reengineering of the Recipient Subsystem (RS-R&R)

This document outlines the requirements for the QA/IV&V Consultant. The State's objective is to contract with one consultant who will provide both the QA and IV&V services.

The Agency is very aware that the quality of a new system or product is built in, not tested in. There are two processes that aid in building quality into the system/product:

- Quality Assurance (QA)
- Independent Verification & Validation (IV&V)

For the purposes of this project, the Agency accepts the Institute of Electrical and Electronics Engineers (IEEE) definitions for these terms as follows:

Quality Assurance – Process for providing assurance that the software products and processes in the project life cycle conform to their specified requirements and adhere to their established plans, i.e., the products and processes are in conformance.

Verification – Process for determining whether or not the software products of an activity fulfill the requirements or conditions imposed on them in the previous activities, i.e., the software is built correctly.

Validation – Process for determining whether or not the requirements and the final system or software product fulfills its specific intended use, i.e., the correct software is built.

The IV&V consultant will assist the Alabama Medicaid Agency Project Manager (PM) with (1) assessing the Invitation to Bid (ITB) developed by the Agency and the MITA/BPR consultant for services to be delivered by the Recipient Subsystem Reengineering and Redesign (RS-R&R)

Phase II Project consultant; (2) assessing the RS-R&R Project methodologies, planning, and execution; (3) assessing implementation quality; and (4) evaluating quality and compliance of RS-R&R deliverables. The IV&V consultant will assist the PM in development and implementation of project specific monitoring procedures in the following areas:

- Project Schedule
- Project Scope
- Project Quality Assurance
- Project Risk Analysis
- Project Change Management
- Project Communications Management

The QA consultant will assist the Alabama Medicaid Agency Project Manager (PM) with (1) requirements validation; (2) providing implementation guidance to RS-R&R consultant; (3) all phases of testing; and (4) preparing for system certification.

The QA/IV&V consultant will report to the PM independently.

The QA/IV&V consultant is prohibited from holding any other contract associated with this project. Staff providing IV&V services may not participate in QA services.

Please note that Medicaid reserves the right to negotiate with the Consultant to reasonably change the deliverable due dates or timeframes within each stage as appropriate to assure timely completion of the engagement without any changes in the Consultant's contracted proposal prices.

2.1.2 Medicaid Provided Facility and Equipment Requirements

Medicaid shall provide the following items at the Alabama Medicaid Agency Central Office located at 501 Dexter Avenue, Montgomery AL 36103 (Medicaid Central Office) for up to 10 Consultant's staff:

- Office space (cubicles or offices)
- Basic office supplies
- Building access cardkeys
- Medicaid identification badges
- Medicaid issued PCs with Medicaid's current standard operating system
- Network and/or desktop printer access
- Medicaid copying and scanning equipment
- MS Office Suite (Medicaid MS Office Suite preference on Medicaid PCs only)
- Current and active virus software (on Medicaid owned PCs only)
- Limited number of MS Project Licenses (Medicaid's MS Project software release preference, currently MS Project 2007 - on Medicaid PCs only)
- Internet access
- Medicaid network connectivity

- Medicaid network user IDs
- Medicaid email software
- Medicaid email account for each onsite, designated Consultant employee with network issued computer/laptop
- Access to specified Medicaid network drives
- Consultant's laptops, tablets, or other electronic equipment shall not be connected to Medicaid's network until approved by Medicaid's Associate Director of Network and Systems Support. Approval for Medicaid network connectivity shall be based on the Consultant's device passing Medicaid's Laptop Technical Checklist and certified by Medicaid's Network and Systems Support Staff. (See Appendix F for a Sample Medicaid Laptops Check List and Certification form.)
- Consultant's CDs, DVDs, Flash/Thumb drives, internal or external hard drives or other portable magnetic storage media must be scanned by Medicaid's Network and Systems Support staff or the Consultant's current and active virus software prior to connecting or inserting the devices or media in devices that are connected to Medicaid's network. (The Consultant's staff is restricted from transporting electronic storage media containing State owned or maintained data or other project information without written authorization from the Medicaid RFP Project Manager and the HIPAA Privacy and Security Officers. Any off-site transport of Medicaid data or project information that is approved by the designated Medicaid authority must be stored on a securable electronic media device with proper encryption and password protection of the data or information to prevent unauthorized access.)
- Office desks and chairs
- Office telephones
- Meeting rooms (must be reserved in advance by the Consultant using Medicaid's resource scheduling in MS Outlook)
- Medicaid loaner data projectors and laptop PCs (must be reserved in advance by the Consultant using Medicaid's resource scheduling in MS Outlook and checked out through the Director of Information Systems Office)
- Fax machines or services may be provided if approved by the Deputy Commissioner of Administrative Services

The following software applications comprise Medicaid's office automation standards. The project team in connection with this effort will use these applications:

- Microsoft Windows (XP Professional/Windows 7 (32 bit)) (other operating systems must be approved)
- Microsoft Office Professional 2007 or other release (must be approved)
- Microsoft Project Professional 2007 or other release (must be approved)
- Microsoft SharePoint 2007 (migrating to SharePoint 2010 during the time period of this RFP)
- Microsoft Internet Explorer 6.0 (minimum), 7.0, or 8.0 (if currently adopted by Medicaid)
- Microsoft SQL Server 2005
- Microsoft Forefront Client Security Agent
- Microsoft Windows Server 2003 (minimum)

- Microsoft Information Internet Server (IIS) 6.0 (minimum)

Should Proposers wish to add to or modify this list, with for instance, computer aided software engineering tools, or other project related software items they may make such recommendations in their proposal.

2.1.3 Consultant's Facility and Equipment Requirements

The Consultant shall be required to provide all necessary office space, equipment, and supplies to Consultant's support staff allocated to meet the contractual obligations of this RFP that are not assigned to work onsite at the Medicaid Central Office. These facilities, equipment, and supplies that the Consultant provides for their staff are provided at the Consultant's expense and ***are not*** expenses chargeable to Medicaid as part of this RFP.

2.1.4 Project Organization

A major factor in the success of the Project is the degree of collaboration between the QA/IV&V consultant and the PM. In recognition of this, the Agency has established an Executive Steering Committee and a Change Control Board that will manage consultant(s) on the project. Agency staff will participate directly in project management, requirements validation, design, development, testing, implementation, and certification activities of the new system. Additionally, the Agency has established the appropriate levels of management oversight to monitor project progress and assess consultant performance for each project phase.

The IV&V consultant is responsible for providing independent review and quality assurance validation specific to the performance of the RS-R&R consultant. The consultant will be managed by, and report directly to, the Agency RS-R&R Project Manager. IV&V reports of project status, risks, and performance will be delivered to all project stakeholders. The Project Manager will direct tasks associated with this IV&V contract, and will be responsible for approving or coordinating the approval of all deliverables associated with this contract.

The Change Control Board (CCB) provides Project governance. The CCB is comprised of the four Project Coordinators (Primary, Secondary & MITA) from the Executive Steering Committee along with the Agency Project Manager and is charged with oversight of the project in the following areas:

- Change Management
- Risk Management
- Issue Management
- Action Item Management

The figure below demonstrates the RS-R&R Project organization.

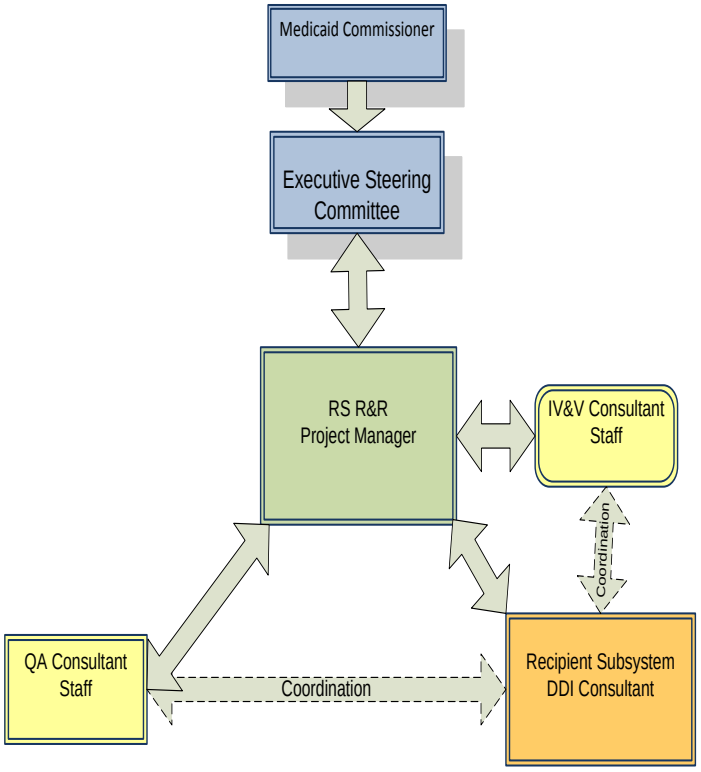

Figure 2 Recipient Subsystem Reengineering and Redesign Phase II Project Organization

2.2 Objectives and Requirements

2.2.1 Independent Verification & Validation (IV&V)

1. The consultant will start prior to the RS-R&R consultant to review and assess the preparation of the RS-R&R RFP by Medicaid and the MITA/BPR contactor.
2. The consultant will ensure that IV&V activities are performed during the Design, Development, and Implementation (DDI) phase of the State's RS replacement project.
3. The consultant must be able to furnish personnel on-site, as described in this scope of work. All consultant personnel must possess the knowledge, education, and skills necessary to provide the State with the services outlined in the Statement of Work (SOW), and any subsequent modifications.
4. It is important to note that IV&V services will not be limited to the review of documents, but is expected to involve active participation with the State and Phase II vendor resolving issues of risk, development approach and project planning. These activities may include IV&V oversight of iterative development sessions throughout all software development life cycle activities.

5. The consultant must provide services that are aligned with the RS-R&R Project Work Plan, which will be finalized during the Project Initiation Phase of the Recipient Subsystem DDI.
6. In the event of a delay in the commencement of the RS-R&R contract, the IV&V consultant work schedule may also be delayed accordingly at the discretion of the Agency.

2.2.2 Quality Assurance (QA)

1. The consultant will ensure that QA activities are performed during the DDI and certification phases of the State's RS replacement project. As such, the consultant will be required to conduct their activities throughout the DDI phase until the Centers for Medicare & Medicaid Services (CMS) certification of the new Recipient Subsystem.
2. The consultant must be able to furnish personnel on-site, as described in this scope of work. All consultant personnel must possess the knowledge, education, and skills necessary to provide the State with the services outlined in the Statement of Work (SOW), and any subsequent modifications.
3. The consultant must provide services that are aligned with the RS-R&R Project Work Plan, which will be finalized during the Project Initiation Phase of the Recipient Subsystem DDI.
4. It is important to note that QA services will not be limited to the review of documents, but is expected to involve active participation with the State and Phase II vendor resolving issues of risk, development approach and project planning. These activities may include QA oversight of iterative development sessions throughout all software development life cycle activities.
5. In the event of a delay in the commencement of the RS-R&R contract, the IV&V consultant work schedule may also be delayed accordingly at the discretion of the Agency.

2.3 General Scope of Work

2.3.1 IV&V Services

1. This RFP is deemed to contain all required services to the extent possible at this time.
2. The consultant shall provide services and staff, and otherwise do all things necessary for, or incidental to, the performance of work as set forth herein.
3. The consultant must actively facilitate and participate in project meetings as required or directed by the Agency's Project Manager. The consultant will monitor and track the Project Work Plan, schedule, processes, products, and deliverables of the RS-R&R consultant, focusing on issues of substance that adversely impact the progress of the new Recipient Subsystem Project, and jeopardize or risk in any way a successful and timely implementation.

4. The consultant will report status weekly to the PM. Consultant personnel may also participate in periodic status reporting to the Executive Steering Committee at the discretion of, and as required by, the PM.
5. The consultant shall be responsible for monitoring performance of Medicaid's selected RS-R&R consultant to ensure requirements the State set forth in the RS-R&R ITB are being met. This monitoring function will be accomplished regardless of the software development methodololgy implemented by the Phase II development vendor. It is expected that the vendor will employ iterative, agile/adaptive techniques in the method.
6. The consultant must verify the Recipient Subsystem functions properly, is being built according to the final and approved design documents, and meets the requirements set forth by the Agency.
7. IV&V activities must be based on recognized industry standards, methodologies, and approaches, such as IEEE 1012-1998 for Software Verification and Validation and Software Engineering Institute's Capability Maturity Model Integration (CMMI).

2.3.2 IV&V Consultant Responsibilities

This section identifies tasks the consultant will perform during the DDI and Certification Phase of the RS-R&R Project. These tasks will be the basis against which the consultant's performance will be measured. **Each requirement must be addressed in the offeror's proposal. Please note that a comprehensive IV&V Strategy and Methodology and an initial Project Work Plan are major required components for responding to this section of the RFP.**

2.3.2.1 IV&V Consultant Project Management Responsibilities

The consultant must:

a. Provide a comprehensive IV&V Strategy and Methodology for the IV&V Management Task.
b. Produce and deliver an initial IV&V Project Work Plan. The Project Work Plan should include the best estimated schedule showing the tasks, subtasks, and associated IV&V resources that will be required to satisfy the scope of work. This Project Work Plan will be adjusted and coordinated with the RS-R&R consultant's schedule and work plan, which will be finalized during project initiation start-up.
c. Provide updates to IV&V Strategy and Methodology at the start of the Project.
d. Provide updated IV&V Project Work Plan at the start of the Phase ll.
e. Review and track completion of all requirements and documents produced by the RS-R&R consultant.
f. Prepare and submit weekly and monthly Project Status Reports according to status reporting plan. The Project Status Report shall include Risk Assessment status, including risk mitigation recommendations.
g. Participate in the Change Control Board (CCB), as required by the PM.
h. Attend meetings and present Project status, as required by the PM.

i. Prepare and submit draft consultant deliverables for PM review and comment.

j. Prepare and submit final consultant deliverables for Agency review and approval.

k. Prepare and submit IV&V analysis/status reports for review and approval, on a frequency to be determined by the PM.

2.3.2.2 IV&V Consultant MITA/BPR Responsibilities

The consultant must:

a. Provide a comprehensive IV&V Strategy and Methodology for the MITA/BPR Task.

b. Participate in walk-through of deliverables provided by the MITA/BPR consultant that relate to the ITB for RS-R&R services.

c. Provide written assessments of the ITB for RS-R&R services to the PM.

d. Under the direction of the PM, coordinate with the MITA/BPR consultant to assure resolution of identified issues.

2.3.2.3 IV&V Consultant RS-R&R Project Initiation Responsibilities

The consultant must:

a. Provide IV&V Strategy and Methodology for the Project Initiation Task.

b. Provide updates to IV&V Strategy and Methodology at the start of the Project Initiation Task.

c. Participate in walk-through of deliverables provided by RS-R&R consultant.

d. Provide written assessments of delivered RS-R&R consultant Project deliverables.

e. Review RS-R&R consultant plans including, but not limited to:

   i. RS-R&R Project Plan

   ii. RS-R&R Project Schedule

   iii. Project Tracking and Change Management Plan

   iv. Internal and External Communication Plan

   v. Documentation Plan

   vi. Quality Assurance Plan

f. Prepare and submit IV&V analysis/status reports for review and approval, on a frequency to be determined by the PM.

g. Under the direction of the PM, coordinate with the RS-R&R consultant to assure resolution of identified issues.

2.3.2.4 IV&V Consultant Requirements Validation Responsibilities

The consultant must:

a. Provide IV&V Strategy and Methodology for the Requirement Validation Task.
b. Provide IV&V Strategy and Methodology Update prior to the start of the Requirement Validation stage.
c. Monitor the Requirements Validation/Joint Applications Development (JAD) sessions.
d. Participate in all scheduled meetings and walk-through of RS-R&R consultant presentations and deliverables. Review minutes, decisions, and action items resulting from these meetings.
e. Verify and validate RS-R&R consultant draft and final deliverables. Provide written comments on RS-R&R draft and final deliverables.
f. Under the direction of the PM, coordinate with the RS-R&R consultant to assure resolution of identified issues.
g. Prepare and submit IV&V analysis/status reports for review and approval, on a frequency to be determined by the PM.

2.3.2.5 IV&V Consultant Detailed Software/System Design Responsibilities

The consultant must:

a. Provide IV&V Strategy and Methodology for the System Design Task.
b. Provide IV&V Strategy and Methodology Update prior to the start of the System Design stage.
c. Verify and validate RS-R&R consultant draft and final deliverables. Provide written comments on RS-R&R draft deliverables.
d. Under the direction of the PM, coordinate with the RS-R&R consultant to assure resolution of identified issues.
e. Prepare and submit IV&V analysis/status reports for review and approval, on a frequency to be determined by the PM.

2.3.2.6 IV&V Consultant Data Conversion and Interfaces Responsibilities

The consultant must:

a. Provide IV&V Strategy and Methodology for the Data Conversion and Interfaces Task.
b. Provide IV&V Strategy and Methodology Update prior to the start of the Data Conversion and Interfaces Task.
c. Participate in walk-through of deliverables, as determined by the Agency.
d. Verify and validate RS-R&R consultant draft and final deliverables. Provide written comments on RS-R&R draft and final deliverables.
e. Under the direction of the PM, coordinate with the RS-R&R consultant to assure resolution of identified issues.

f. Prepare and submit IV&V analysis/status reports for review and approval, on a frequency to be determined by the PM.

2.3.2.7 IV&V Consultant System Development Responsibilities

The consultant must:

a. Provide IV&V Strategy and Methodology for the System Development Task.

b. Provide IV&V Strategy and Methodology Update prior to the System Development Task.

c. Participate in walk-through of deliverables, as determined by the Agency.

d. Verify and validate RS-R&R consultant draft and final deliverables. Provide written comments on RS-R&R draft and final deliverables.

e. Under the direction of the PM, coordinate with the RS-R&R consultant to assure resolution of identified issues.

f. Prepare and submit IV&V analysis/status reports for review and approval, on a frequency to be determined by the PM.

2.3.2.8 IV&V Consultant Integration, System, and Operational Readiness Testing Responsibilities

The consultant must:

a. Provide oversight to measure and maintain compliance of the agreed upon requirements.

b. Review RS-R&R project deliverables to recommend testing requirements.

c. Develop and implement a verification strategy document for the objectives, scope, approach, standards and procedures, tools, etc., to be used in the verification effort.

d. Validate System Integration Testing Interface, Testing, Pilot Operations, and Operational Readiness Assessment.

e. Review and provide written comments on the Parallel, System Recovery, Stress and Performance, and Operational Readiness Test Plans.

f. Perform random sampling of test results during the testing phases to verify that the system performs according to documented results.

g. Verify and validate RS-R&R consultant draft and final deliverables. Provide written comments on RS-R&R draft and final deliverables.

h. Under the direction of the PM, coordinate with the RS-R&R consultant to assure resolution of identified issues.

i. Prepare and submit IV&V analysis/status reports for review and approval, on a frequency to be determined by the PM.

2.3.2.9 IV&V Consultant User Acceptance Testing Responsibilities

The consultant must:

a. Provide IV&V Strategy and Methodology for the User Acceptance Testing Task.

b. Provide IV&V Strategy and Methodology Update prior to the User Acceptance Testing Task.

c. Review and provide written comments on the User Acceptance Test Plan and User Acceptance Test Cases and Scripts.

d. Review and provide written comments on the written test scenarios to validate software and system functionality.

e. Review and provide written comments on the User Acceptance Testing results. Review documented problem conditions discovered during testing requiring corrective action and monitor final resolution. Review all reports of User Acceptance Testing results.

f. Review and provide written comments on the Pilot Testing results. Review documented problem conditions discovered during testing requiring corrective action and monitor final resolution. Review all reports of Pilot Testing results.

g. Participate in walk-through of test results deliverables, as determined by the PM.

h. Verify and validate selected RS-R&R consultant draft and final deliverables. Provide written comments on selected RS-R&R draft and final deliverables.

i. Prepare and submit IV&V analysis/status reports for review and approval, on a frequency to be determined by the PM.

j. Under the direction of the PM, coordinate with the RS-R&R consultant to assure resolution of identified issues.

2.3.2.10 IV&V Consultant Documentation Responsibilities

The consultant must:

a. Provide IV&V Strategy and Methodology for Documentation Review (Technical and Operational).

b. Provide IV&V Strategy and Methodology Update prior to the Documentation Review (Technical and Operational) Task.

c. Participate in review of documentation deliverables, as determined by the Agency.

d. Verify and validate RS-R&R consultant draft and final deliverables. Provide written comments on RS-R&R draft and final deliverables.

e. Prepare and submit IV&V analysis/status reports for review and approval, on a frequency to be determined by the PM.

f. Under the direction of the PM, coordinate with the RS-R&R consultant to assure resolution of identified issues.

2.3.2.11 IV&V Consultant Training Responsibilities

The consultant must:

a. Provide IV&V Strategy and Methodology for the Training Task.
b. Provide IV&V Strategy and Methodology Update prior to the Training Task.
c. Participate in walk-through of deliverables, as determined by the Agency.
d. Verify and validate RS-R&R consultant draft and final deliverables. Provide written comments on RS-R&R draft and final deliverables.
e. Prepare and submit IV&V analysis/status reports for review and approval, on a frequency to be determined by the PM.
f. Under the direction of the PM, coordinate with the RS-R&R consultant to assure resolution of identified issues.

2.3.2.12 IV&V Consultant Implementation Responsibilities

The consultant must:

a. Provide IV&V Strategy and Methodology for the Implementation Task.
b. Provide IV&V Strategy and Methodology Update prior to the Implementation Task.
c. Review and provide comments on RS-R&R consultant plans for implementation.
d. Review and validate the final data and file conversion activities and final system interface activities.
e. Work with the PM to conduct an operational and technical (Go/No Go) implementation assessment to determine the start of the Implementation Task.
f. Assist the PM with the approval decision to implement the System.
g. Review and monitor system processing and performance to ensure that all functions and features are operating correctly, and identify any errors occurring during the initial operations period.
h. Verify and validate RS-R&R consultant draft and final deliverables. Provide written comments on RS-R&R draft and final deliverables.
i. Under the direction of the PM, coordinate with the RS-R&R consultant to assure resolution of identified issues.
j. Prepare and submit IV&V draft and final deliverables for the Agency review and comment.

2.3.2.13 IV&V Consultant Lessons Learned Responsibilities

The consultant must:

a. Provide IV&V Strategy and Methodology for collection and reporting of Project Lessons Learned.
b. Provide collected Lessons Learned for each responsibility and task listed above.

2.3.3 IV&V Consultant Deliverables

This section identifies deliverables the consultant will perform during the RS-R&R and Certification Phase of the Recipient Subsystem Project. These deliverables will be the basis against which consultant's performance will be measured.

The State expects deliverables that conform to industry standards for a project of this nature. The consultant must submit an initial IV&V Project Schedule. The Schedule must provide for each of the deliverables defined in the following project tasks at a minimum. If the deliverable Due Date is "To Be Determined (TBD)," then the submission schedule will be based on the IV&V consultant's approved Project Plan and coordinated with the RS-R&R Project Plan and Schedule.

Table 2 IV&V Consultant Deliverables

Project Task	IV&V Project Deliverables	Due Date
Project Management	IV&V Strategy and Methodology for the Project Management Task	Proposal
	IV&V Project Work Plan	Proposal
	IV&V Strategy and Methodology Update for the Project Management Task	TBD
	IV&V Project Work Plan Updated	TBD
	IV&V Project Plan Assessment Report(s)	Contract start + 30 business days
	Project Status Report Template	TBD
	Weekly and Monthly Project Status Report	TBD
	Initial Risk Assessment Report	TBD
	Formal Review and Validation of all RS-R&R Consultant Project Management deliverables	TBD
MITA/BPR	IV&V Strategy and Methodology for MITA/BPR Task	Proposal
	IV&V Strategy and Methodology Update for the MIA/BPR Task	TBD
	Assessment of RS-R&R ITB	TBD
Project Initiation	IV&V Strategy and Methodology for the Project Initiation Task	Proposal

Project Task	IV&V Project Deliverables	Due Date
	IV&V Strategy and Methodology Update for the Project Initiation Task	TBD
	Formal Review and Validation of all RS-R&R Consultant Project Initiation Phase deliverables	TBD
Requirements Validation	IV&V Strategy and Methodology for the Requirements Validation Task	Proposal
	IV&V Strategy and Methodology Update for the Requirements Validation Task	TBD
	Requirements Validation/Joint Applications Design Approach	TBD
	Formal Review and Validation of all RS-R&R Consultant Requirements Validation Phase deliverables	TBD
System Design	IV&V Strategy and Methodology for the System Design Task	Proposal
	IV&V Strategy and Methodology Update for the System Design Task	TBD
	Formal Review and Validation of all RS-R&R Consultant System Design Phase deliverables	TBD
	MITA Assessment Verification Document	TBD
Data Conversion and Interfaces	IV&V Strategy and Methodology for the Data Cleansing/Conversion Task	Proposal
	IV&V Strategy and Methodology Update for the Data Cleansing/Conversion Task	TBD
	Formal Review and Validation of all RS-R&R Consultant Data Conversion and Interfaces deliverables	TBD

Project Task	IV&V Project Deliverables	Due Date
System Development and Construction	IV&V Strategy and Methodology for the System Development Task	Proposal
	IV&V Strategy and Methodology Update for the System Development Task	TBD
	Formal Review and Validation of all RS-R&R Consultant System Development and Construction Phase deliverables	TBD
Integration, System, and Operational Readiness Testing	IV&V Strategy and Methodology for the Integration & System Testing Task	Proposal
	IV&V Strategy and Methodology Update for the Integration & System Testing Task	TBD
	Formal Review and Validation of all Recipient Subsystem RS-R&R Consultant Integration, System, and Operational Readiness Testing Phase deliverables	TBD
User Acceptance Testing	IV&V Strategy and Methodology for the Acceptance Testing Task	Proposal
	IV&V Strategy and Methodology Update for the Acceptance Testing Task	TBD
	User Acceptance Testing Plan	TBD
	Formal Review and Validation of all RS-R&R Consultant User Acceptance Testing Phase deliverables	TBD
	Formal Review and Validation of all RS-R&R Consultant Pilot Testing Phase deliverables	TBD
	MITA Assessment – Final	TBD

Project Task	IV&V Project Deliverables	Due Date
Training	IV&V Strategy and Methodology for the Training Task	Proposal
	IV&V Strategy and Methodology Update for the Training Task	TBD
	Formal Review and Validation of all RS-R&R Consultant Training deliverables	TBD
Implementation	IV&V Strategy and Methodology for the Implementation Task	Proposal
	IV&V Strategy and Methodology Update for the Implementation Task	TBD
	Go/No Go Implementation Assessment	TBD
	Preliminary Certification Assessment	TBD
	Formal Review and Validation of all RS-R&R Consultant Implementation deliverables	TBD
Documentation	IV&V Strategy and Methodology for the Documentation Task	Proposal
	IV&V Strategy and Methodology Update for the Documentation Task	TBD
	Formal Review and Validation of all RS-R&R Consultant Documentation deliverables	TBD
Lessons Learned	IV&V Strategy and Methodology for the Lessons learned Task	Proposal
	Lessons Learned for each Task listed above	TBD

2.3.4 RS-R&R Deliverable Review Process

The complete process for the review of all RS-R&R deliverables and documents will be developed at the beginning of the Project Initiation Phase and subject to change at the

discretion of the Agency. In any event, all deliverables submitted to the Agency from any and all consultants must adhere to the following requirements at a minimum:

- Cover letter outlining contents for delivery approval and a copy of the deliverables in electronic form, as directed by the Agency PM
- Posting of the deliverable in the Project Web Portal with e-mail notification to all stakeholders as defined by the Agency

On receipt of a deliverable, the Agency Project Manager will coordinate, manage, and monitor the review and comments by the IV&V consultant and the Agency staff and will convene, as necessary, a review panel to review the deliverable. The Agency Project Manager may also request a walk-through of any deliverable submitted by the consultant.

The deliverable will be reviewed within 10 working days after the receipt date, which is not counted as one of the 10 days, unless otherwise determined by the Agency PM. **Additional review time may be required at the discretion of the Agency Project Manager, who will notify all impacted consultants.** If the deliverable is determined to be in need of modification, the Agency Project Manager will send written notification to the RS-R&R consultant outlining the changes and reason(s) for the changes. The RS-R&R consultant will make the corrections within 10 working days and resubmit the deliverable to the Agency Project Manager for final review.

Once all comments have been incorporated and the deliverable meets readiness for use and compliance with content requirements, the deliverable will be submitted to the Agency for formal acceptance and written approval. An acceptance letter, signed by the Agency, will be submitted to the RS-R&R consultant through the Agency Project Manager.

2.3.5 Potential RS-R&R Consultant Deliverables for IV&V Review

The consultant must be prepared to perform all IV&V tasks for all Recipient Subsystem RS-R&R deliverables as requested and directed by the Agency and as directed in the SOW.

2.3.6 Acceptance Criteria

The following criteria will be used by the Agency to determine acceptance of the services and/or deliverables provided by the consultant under this RFP:

- Project plans to be executed according to a standard dictated by the PM
- Deliverables document the validity of the requested development process relative to current industry standards
- Documentation and deliverables conform to the acceptance and adequacy standards dictated by the PM
- All required documentation, as specified by the PM, will be delivered within mutually agreed-upon time frames
- All required documentation will meet minimum standards for quality as specified by the PM

2.3.7 QA Services

1. This RFP is deemed to contain all required services to the extent possible at this time.
2. The consultant shall provide services and staff, and otherwise do all things necessary for, or incidental to, the performance of work as set forth herein.
3. The consultant must actively facilitate and participate in Project meetings as required or directed by the Agency Project Manager. The consultant will monitor and track the Project Work Plan, schedule, processes, products, and deliverables of the RS-R&R consultant, focusing on issues of substance that adversely impact the progress of the new Recipient Subsystem Project, and jeopardize, or risk in any way, a successful and timely implementation.
4. The consultant will report status weekly to the PM. Consultant personnel may also participate in periodic status reporting to the Executive Steering Committee at the discretion of, and as required by, the Agency Project Manager.
5. The consultant shall be responsible for monitoring performance of the State's selected RS-R&R consultant to ensure requirements the State set forth in the RS-R&R ITB are being met.

2.3.8 QA Consultant Responsibilities

This section identifies tasks the consultant will perform during the DDI and Certification Phase of the RS-R&R Project. These tasks will be the basis against which the consultant's performance will be measured. Each requirement must be addressed in the offeror's proposal. **Please note that a comprehensive QA Strategy and Methodology and an initial Project Work Plan are major required components for responding to this section of the RFP.**

2.3.8.1 QA Consultant Project Management Responsibilities

The consultant must:

a. Provide a comprehensive QA Strategy and Methodology for the QA Management Task.
b. Produce and deliver an initial QA Project Work Plan. The Project Work Plan should include the best estimated schedule showing the tasks, subtasks, and associated QA resources that will be required to satisfy the scope of work. This Project Work Plan will be adjusted and coordinated with the RS-R&R consultant's schedule and work plan, which will be finalized during project initiation start-up.
c. Provide a comprehensive QA Strategy and Methodology Update for the QA Management Task prior to start of Phase ll.
d. Provide a QA project Work Plan Update prior to start of Phase ll.
e. Review and track completion of all requirements and documents produced by the RS-R&R consultant.
f. Prepare and submit weekly and monthly Project Status Reports according to status reporting plan. The Project Status Report shall include Risk Assessment status, including risk mitigation recommendations.

g. Participate in a Change Control Board (CCB), as required by the PM.
h. Attend meetings and present Project status, as required by the PM.
i. Prepare and submit draft consultant deliverables for PM review and comment.
j. Prepare and submit final consultant deliverables for Agency review and approval.

2.3.8.2 QA Consultant RS-R&R Project Initiation Responsibilities

The consultant must:

a. Provide QA Strategy and Methodology for the Project Initiation Task.
b. Provide QA Strategy and Methodology Update prior to start of the Project Initiation Task.
c. Participate in walk-through of deliverables provided by RS-R&R consultant.
d. Under the direction of the PM, coordinate RS-R&R with the consultant to assure resolution of identified issues.

2.3.8.3 QA Consultant Requirements Validation Responsibilities

The consultant must:

a. Provide QA Strategy and Methodology for the Requirement Validation Task.
b. Provide QA Strategy and Methodology Update prior to the start of the Requirement Validation Task.
c. Participate in the Requirements Validation/Joint Applications Development (JAD) sessions and conduct necessary research and follow-up activities as required by the PM.
d. Participate in all scheduled meetings and walk-through of RS-R&R consultant presentations and deliverables. Review minutes, decisions, and action items resulting from these meetings.
e. Review IV&V reports on RS-R&R consultant draft and final deliverables. Provide written comments on RS-R&R draft and final deliverables.
f. Under the direction of the PM, coordinate with the RS-R&R consultant to assure resolution of identified issues.

2.3.8.4 QA Consultant Detailed System Design Responsibilities

The consultant must:

a. Provide QA Strategy and Methodology for the System Design Task.
b. Provide QA Strategy and Methodology Update prior to the start of the System Design Task.
c. Participate in system design sessions and conduct necessary research and follow-up activities as required by the PM.

d. Review IV&V reports on RS-R&R consultant draft and final deliverables. Provide written comments on RS-R&R draft and final deliverables.

e. Under the direction of the PM, coordinate with the RS-R&R consultant to assure resolution of identified issues.

2.3.8.5 QA Consultant Data Conversion and Interfaces Responsibilities

The consultant must:

a. Provide QA Strategy and Methodology for the Data Conversion and Interfaces Task.

b. Provide QA Strategy and Methodology Update prior to the start of the Data Conversion and Interfaces Task.

c. Participate the data conversion sessions and conduct necessary research and follow-up activities as required by the PM.

d. Participate in walk-through of deliverables, as determined by the Agency.

e. Review IV&V reports on RS-R&R consultant draft and final deliverables. Provide written comments on RS-R&R draft and final deliverables.

f. Under the direction of the PM, coordinate with the RS-R&R consultant to assure resolution of identified issues.

2.3.8.6 QA Consultant System Development Responsibilities

The consultant must:

a. Provide QA Strategy and Methodology for the System Development Task.

b. Provide QA Strategy and Methodology Update prior to the start of the System Development Task.

c. Participate in system development sessions and conduct necessary research and follow-up activities as required by the PM.

d. Participate in walk-through of deliverables, as determined by the Agency.

e. Verify and validate RS-R&R consultant draft and final deliverables. Provide written comments on RS-R&R draft and final deliverables.

f. Review IV&V reports on RS-R&R consultant draft and final deliverables. Provide written comments on RS-R&R draft and final deliverables.

g. Under the direction of the PM, coordinate with the RS-R&R consultant to assure resolution of identified issues.

2.3.8.7 QA Consultant Integration, System, and Operational Readiness Testing Responsibilities

The consultant must:

a. Review RS-R&R project deliverables to recommend testing requirements.

b. Develop and implement a verification strategy document for the objectives, scope, approach, standards and procedures, tools, etc., to be used in the verification effort.

c. Assist in developing and executing various test artifacts (test scenarios, test runs, test cases, and testing scripts).

d. Perform sampling of test results during the testing phases to verify that the system performs according to documented results.

e. Under the direction of the PM, coordinate with the RS-R&R consultant to assure resolution of identified issues.

2.3.8.8 QA Consultant User Acceptance Testing Responsibilities

The consultant must:

a. Provide QA Strategy and Methodology for the User Acceptance Testing Task.

b. Provide QA Strategy and Methodology Update prior to the start of the User Acceptance Testing Task.

c. Review and provide written comments on the User Acceptance Test Plan and User Acceptance Test Cases and Scripts.

d. Participate in User Acceptance Testing, performing testing as directed by the PM.

e. Review and provide written comments on the written test scenarios to validate software and system functionality.

f. Document problem conditions discovered during testing requiring corrective action and monitor final resolution.

g. Prepare reports of User Acceptance Testing results.

h. Participate and provide reports of results of Pilot Testing.

i. Participate in walk-through of test results deliverables, as determined by the PM.

j. Under the direction of the PM, coordinate with the RS-R&R consultant to assure resolution of identified issues.

2.3.8.9 QA Consultant Documentation Responsibilities

The consultant must:

a. Provide QA Strategy and Methodology for the Documentation Review (Technical & Operational).

b. Provide QA Strategy and Methodology Update prior to the start of the Documentation Review (Technical & Operational).

c. Participate in walk-through of documentation deliverables, as determined by the PM.

d. Develop and administer documentation assessment tools and conduct review of the documentation as directed by PM.

e. Under the direction of the PM, coordinate with the RS-R&R consultant to assure resolution of identified issues.

2.3.8.10 QA Consultant Training Responsibilities

The consultant must:

a. Provide QA Strategy and Methodology for the Training Task.

b. Provide QA Strategy and Methodology Update prior to the start of the Training Task.

c. Participate in walk-through of deliverables, as determined by the PM.

d. Develop and administer training assessment tools and conduct interviews of trainees as directed by PM.

e. Under the direction of the PM, coordinate with the RS-R&R consultant to assure resolution of identified issues.

2.3.8.11 QA Consultant Implementation Responsibilities

The consultant must:

a. Provide QA Strategy and Methodology for the Implementation Task.

b. Provide QA Strategy and Methodology Update prior to the start of the Implementation Task.

c. Review and provide comments on RS-R&R consultant plans for implementation.

d. Work with the PM to conduct an operational and technical (Go/No Go) implementation assessment to determine the start of the Implementation Task.

e. Assist the PM with the approval decision to implement the System.

f. Participate in system readiness activities to ensure that all functions and features are operating correctly, and identify any errors occurring during the initial operations period.

g. Conduct a preliminary certification assessment of the new Recipient Subsystem to determine if it satisfies CMS Certification requirements and identify all deficiencies requiring corrective action. This assessment will be based on the Agency MITA Capability Matrix and the most current available CMS MMIS Certification Checklist.

h. Under the direction of the PM, coordinate with the RS-R&R consultant to assure resolution of identified issues.

2.3.8.12 QA Consultant Stabilization Responsibilities

The consultant must:

a. Provide QA Strategy and Methodology for the Stabilization Task.

b. Provide QA Strategy and Methodology Update prior to the start of the Stabilization Task.

c. Monitor RS-R&R implementation of stabilization activities and report results to PM.

d. Under the direction of the PM, coordinate with the RS-R&R consultant to assure resolution of identified issues.

2.3.8.13 QA Consultant Certification Responsibilities

The consultant must:

a. Provide QA Strategy and Methodology for the Certification Task. The consultant must describe the processes and procedures that will be used to manage the QA certification activities and how these activities are integrated with RS-R&R consultant's responsibilities.

b. Provide QA Strategy and Methodology Update prior to the start of the Certification Task.

c. Collaborate with the Agency and the RS-R&R consultant to develop a Certification Plan that will provide the processes and procedures that will be used to create the certification documents and assist during the CMS visit. This plan must be integrated with the RS-R&R consultant's Detailed Project Work Plan and contain a checklist of all items required for certification and who is responsible for each.

d. Review and assist the RS-R&R consultant in the preparation of the certification checklist and documentation in response to CMS certification requirements contained in the State Medicaid Manual, Part 11 and in 42 CFR 433, Subpart C.

e. Review and assist the RS-R&R consultant in the collection of federally required reports to be included in certification documentation.

f. The consultant must ensure all documentation is produced to meet CMS certification requirements and reflect a fully operational Recipient Subsystem retroactive to the New Recipient Subsystem Go Live date.

g. Participate in the RS-R&R consultant lead walk-through of certification review deliverables.

h. Assist the Agency in preparing the CMS Certification Letter requesting certification.

i. Prepare the Certification Validation Report validating that all CMS certification requirements have been met and documented; and that the Certification Review Package is complete.

j. Support the Certification review process until such time as the system is certified by CMS.

k. Collaborate with the Agency and the RS-R&R Verify and validate RS-R&R consultant draft and final deliverables. Provide written comments on RS-R&R draft and final deliverables.

l. Prepare and submit QA draft and final deliverables for the Agency review and comment.

m. Prepare and submit QA final deliverables for the Agency review and approval.

2.3.8.14 QA Consultant lessons Learned Responsibilities

The consultant must:

a. Provide QA Strategy and Methodology for collection and reporting of Project Lessons Learned.

b. Provide collected Lessons Learned for each responsibility and task listed above.

2.3.9 QA Consultant Deliverables

This section identifies deliverables the consultant will provide during the RS-R&R and Certification Phase of the Recipient Subsystem Project. These deliverables will be the basis against which consultant's performance will be measured.

The State expects deliverables that conform to industry standards for a project of this nature. The consultant must submit an initial QA Project Schedule. The Schedule must provide for each of the deliverables defined in the following project tasks at a minimum. If the deliverable Due Date is "To Be Determined (TBD)," then the submission schedule will be based on the QA consultant's approved Project Plan and coordinated with the Recipient Subsystem RS-R&R Project Plan and Schedule.

Table 3 QA Consultant Deliverables

Project Task	QA Project Deliverables	Due Date
Project Management	QA Strategy and Methodology for the Project Management Task	Proposal
	QA Project Work Plan	Proposal
	QA Strategy and Methodology Update for the Project Management Task	TBD
	QA Project Work Plan Update	TBD
	QA Project Plan Assessment Report(s)	Contract start + 30 business days
	Project Status Report Template	TBD
	Weekly and Monthly Project Status Reports	TBD
	Initial Risk Assessment Report	TBD
	Formal Review and Validation of all RS-R&R Consultant Project Management deliverables	TBD
Project Initiation	QA Strategy and Methodology for the Project Initiation Task	Proposal
	QA Strategy and Methodology Update for the Project Initiation Task	TBD
	Formal Review and Validation of all RS-R&R Consultant Project Initiation Phase deliverables	TBD

Project Task	QA Project Deliverables	Due Date
Requirements Validation	QA Strategy and Methodology for the Requirements Validation Task	Proposal
	QA Strategy and Methodology Update for the Requirements Validation Task	TBD
	Formal Review and Validation of all RS-R&R Consultant Requirements Validation Phase deliverables	TBD
System Design	QA Strategy and Methodology for the System Design Task	Proposal
	QA Strategy and Methodology Update for the System Design Task	TBD
	Formal Review and Validation of all RS-R&R Consultant System Design Phase deliverables	TBD
	MITA Assessment Verification Document/Updates	TBD
Data Conversion and Interfaces	QA Strategy and Methodology for the Data Cleansing/Conversion Task	Proposal
	QA Strategy and Methodology Update for the Data Cleansing/Conversion Task	TBD
	Formal Review and Validation of all RS-R&R Consultant Data Conversion and Interfaces deliverables	TBD
System Development and Construction	QA Strategy and Methodology for the System Development Task	Proposal
	QA Strategy and Methodology Update for the System Development Task	TBD
	Formal Review and Validation of all RS-R&R Consultant System Development and Construction Phase deliverables	TBD
Integration, System, and Operational Readiness Testing	QA Strategy and Methodology for the Integration & System Testing Task	Proposal
	QA Strategy and Methodology Update for the Integration & System	TBD

Project Task	QA Project Deliverables	Due Date
	Testing Task	
	Formal Review and Validation of all Recipient Subsystem RS-R&R Consultant Integration, System, and Operational Readiness Testing Phase deliverables	TBD
User Acceptance Testing	QA Strategy and Methodology for the Acceptance Testing Task	Proposal
	QA Strategy and Methodology Update for the Acceptance Testing Task	TBD
	User Acceptance Testing Plan	TBD
	Formal Review and Validation of all RS-R&R Consultant User Acceptance Testing Phase deliverables	TBD
	Formal Review and Validation of all RS-R&R Consultant Pilot Testing Phase deliverables	TBD
	MITA Assessment - Final	TBD
Documentation	QA Strategy and Methodology for the Documentation Task	Proposal
	QA Strategy and Methodology Update for the Documentation Task	TBD
	Formal Review and Validation of all RS-R&R Consultant Training deliverables	TBD
Training	QA Strategy and Methodology for the Training Task	Proposal
	QA Strategy and Methodology Update for the Training Task	TBD
	Formal Review and Validation of all RS-R&R Consultant Training deliverables	TBD
Implementation	QA Strategy and Methodology for the Implementation Task	Proposal
	QA Strategy and Methodology Update for the Implementation Task	TBD
	Go/No Go Implementation Assessment	TBD

Project Task	QA Project Deliverables	Due Date
	Preliminary Certification Assessment	TBD
	Formal Review and Validation of all RS-R&R Consultant Implementation deliverables	TBD
Stabilization	QA Strategy and Methodology for the Stabilization Task	Proposal
	QA Strategy and Methodology Update for the Stabilization Task	TBD
	Formal Review and Validation of all RS-R&R Consultant Stabilization deliverables	TBD
Certification	QA Strategy and Methodology for the Certification Task	Proposal
	QA Strategy and Methodology Update for the Certification Task	TBD
	Certification Coordination Plan	TBD
	Certification Documentation as required by CMS	TBD
	Formal Review and Validation of all RS-R&R Consultant Certification deliverables	TBD
Lessons Learned	QA Strategy and Methodology for the Lessons learned Task	Proposal
	Lessons Learned for each Task listed above	TBD

2.4 Consultant Staffing Requirements

1. The consultant shall provide on-site staff necessary to provide QA and IV&V services required for the successful implementation of the Recipient Subsystem. The consultant's response to this RFP must include a staffing plan that details the organization of Project staff, location of Project staff (on-site or off-site), and clearly defines the strategy for managing communication between local and remote staff. The staffing plan must indicate staffing levels during all phases of the Project. The consultant must provide a project and organizational chart showing all personnel by classification who will be assigned to this Project and their related responsibilities. Consultant must provide a resume and two professional references related to IV&V services for IV&V staff or QA for QA services staff for each of the following key personnel: IV&V Lead Consultant and QA Recipient Subsystem Subject Matter Expert.

2. At a minimum, the consultant will provide an IV&V Lead Consultant and QA SME who will interact directly with the Agency Project Manager on a regular basis. The IV&V Lead Consultant and QA SME will be expected to participate in weekly status meetings with the Agency Project Manager and project team members, the RS-R&R consultant staff, as well as various Agency subject matter experts. The IV&V Lead Consultant must be located on-site, full-time, in Montgomery, Alabama until the system has been fully implemented and the QA SME will be located on-site until the system has been certified by CMS. The consultant shall provide sufficient staff to cover the functional areas of data conversion, system testing, quality assurance, and other requirements of the RFP.
3. Key staff must have experience and knowledge with Medicaid health plans and claims/eligibility systems, including at least two engagements within the past 5 years. Prior experience must include at least one client reference for an IV&V project and one client reference for a QA project. In addition, they will have the skills necessary to meet the objectives of this project as listed below:
    a. Core Skills
        i. Proven experience with Consulting, Project Administration and Technical Assistance for State Government MMIS for a period of at least two (2) years within the last four (4) years.
        ii. IV&V Lead resume should demonstrate core competency in the following:
            1. Significant experience with industry-standard and best practices regarding quality, quality assurance and quality control principles and techniques
            2. Appropriate experience with the specified relational database, mainframe, client/server, call center, data capture and web portal technologies in use on this project
            3. Experience in healthcare related concepts, configuration and management, with Medicaid experience a plus
            4. Extensive experience in providing IV&V user services, preferably in the Medicaid or healthcare industry
            5. Proficiency in integrating Training activities within a broader view of the validation effort
            6. Extensive experience in procurement, installation, evaluation, operations and maintenance of Medicaid or similar large health care claims processing system
            7. Broad experience with technical writing
            8. Specific experience in healthcare related concepts, configuration and management
        iii. The QA SME resumes should reflect core competency in the following:
            1. Significant experience with industry-standard and best practices regarding quality, quality assurance and quality control principles and techniques

2. Expertise with automated test tools and their most effective use within large-scale development, package-acquisition, and integration projects
3. Appropriate experience with the specified relational database, mainframe, client/server, data capture and web portal technologies in use on this project
4. Experience in healthcare related concepts, configuration and management, with Medicaid experience a plus
5. Specific experience in supporting and directing UAT efforts
6. Extensive experience in procurement, installation, evaluation, operations and maintenance of Medicaid or similar large health care system
7. Broad experience with technical writing
8. Specific experience in healthcare related concepts, configuration and management
9. Experience with the CMS certification process

iv. Highly developed written and verbal communication skills.

b. Knowledge
   i. Experience in the design, development, testing, and implementation of a MMIS or Medicaid eligibility system
   ii. Government or public sector experience
   iii. In-depth knowledge of Medicaid health plans

c. Technical experience
   i. Experience in projects using Microsoft .Net, SOA, SQL, and rules engines.

4. The consultant staff shall be available after hours as required by the Agency Project Management.
5. The consultant IV&V Lead Consultant and/or QA SME may not be assigned new or additional contract assignments outside the State of Alabama contract, reassigned, replaced, or added during the project without the prior written consent of the Agency Project Manager.
6. The Agency shall have the right to approve or disapprove the Consultant's and any subcontractor's key personnel assigned to these contracts, to approve or disapprove any proposed changes in key personnel, or to require the removal or reassignment of any key personnel found unacceptable by the Agency. The Agency will have the opportunity to interview and approve potential replacements for key staff.
7. The Consultant shall notify the Medicaid Project Manager in writing of any proposed change in key personnel at least 30 calendar days prior to the change or as soon as change is known. The Consultant shall have 30 calendar days in which to fill vacancies of contract-required personnel with another employee of acceptable technical experience and skills subject to prior written approval of the Agency, such approval not

to be unreasonably withheld. The Consultant shall at all times maintain the performance standards and meet all functional requirements of the Contracts.

8. No Consultant initiated change in key personnel shall be approved until a replacement has been approved by the Agency.
9. All on-site space needs will be the responsibility of the Agency. The Agency will provide office space in Montgomery, Alabama for on-site consultant staff.

2.5 Agency Responsibilities

2.5.1 Agency Project Management Responsibilities

The Agency must:

a. Provide input and clarifications to the QA/IV&V consultant for developing the deliverables.
b. Manage the RS Project Risk Management Plan and process including process input from the RS-R&R and the QA/IV&V consultant.
c. Establish and conduct CCB meetings in order to manage requirements change requests.
d. Ensure required Agency staff members are available to the RS-R&R and the QA/IV&V consultant based on the approved Project Plan.
e. Review and approve Project management and status reporting protocols.
f. Review and comment on draft deliverables
g. Review and approve final deliverables.
h. Review all deliverables within 10 working days, unless otherwise determined by the Agency PM
i. Monitor the QA/IV&V consultant performance.

2.5.2 Agency Project Initiation Responsibilities

The Agency must:

a. Provide input and clarifications to the consultant for developing the deliverables.
b. Review and comment on draft deliverables.
c. Review and approve final deliverables.
d. Review all deliverables within 10 working days, unless otherwise determined by the Agency PM
e. Monitor the QA/IV&V consultant performance.

2.5.3 Agency Requirements Validation Responsibilities

The Agency must:

a. Provide access to current RS and related systems documentation, including user manuals, system narratives, program logic, file structures, record forms, data definitions, and performance standards.
b. Provide access to available system statistics.
c. Respond to the QA/IV&V consultant's questions regarding Alabama's Medicaid Program policy, procedures, scope of services, and client eligibility criteria.
d. Provide staff to participate in JAD sessions and to participate in scheduled meetings and walk-through of RS-R&R consultant and the QA/IV&V consultant deliverables.
e. Manage necessary requirements changes through a CCB.
f. Review and comment on draft deliverables.
g. Review and approve final deliverables.
h. All deliverables within 10 working days, unless otherwise determined by the Agency PM
i. Monitor QA/IV&V consultant performance.

2.5.4 Agency System Design Responsibilities

The Agency must:

a. Respond to QA/IV&V consultant inquiries related to system requirements.
b. Review and comment on draft deliverables.
c. Review and approve final deliverables.
d. Review all deliverables will be reviewed within 10 working days, unless otherwise determined by the Agency PM
e. Monitor QA/IV&V consultant performance.

2.5.5 Agency Data Conversion and Interfaces Responsibilities

The Agency must:

a. Respond to QA/IV&V consultant inquiries related to data conversion and interfaces requirements and Agency policies and procedures.
b. Review and comment on draft deliverables.
c. Review and approve final deliverables.
d. Review all deliverables within 10 working days, unless otherwise determined by the Agency PM
e. Monitor QA/IV&V consultant performance.

2.5.6 Agency System Development Responsibilities

The Agency must:

a) Respond to QA/IV&V consultant inquiries related to System requirements and Agency policies and procedures.

b) Review and comment on draft deliverables.

c) Review and approve final deliverables.

d) Review all deliverables within 10 working days, unless otherwise determined by the Agency PM

e) Monitor QA/IV&V consultant performance.

2.5.7 Agency Integration & System Testing Responsibilities

The Agency must:

a. Participate and support the development of the Integration & System Test Plan and Acceptance Test Cases and Scripts with the RS-R&R consultant and the QA/IV&V consultant.

b. Review and comment on draft deliverables.

c. Review and approve final deliverables.

d. Review all deliverables within 10 working days, unless otherwise determined by the Agency PM

e. Monitor QA/IV&V consultant performance.

2.5.8 Agency User Acceptance Testing Responsibilities

The Agency must:

a. Participate and support the development of the User Acceptance Test Plan and User Acceptance Test Cases and Scripts with the RS-R&R consultant and the QA/IV&V consultant.

b. Support the development of the Parallel, System Recovery, Stress and Performance, and Operational Readiness Test Plans with the QA/IV&V consultant. Support the development of Test Cases/Scripts for each test with the QA/IV&V consultant.

c. Conduct Acceptance Testing of RS requirements.

d. Assist in the determination of parallel test scripts to be executed by the RS-R&R consultant.

e. Review parallel, system recovery, stress and performance, and operational readiness test results.

f. Review and comment on draft deliverables.

g. Review and approve final deliverables.

h. All deliverables will be reviewed within 10 working days, unless otherwise determined by the Agency PM

i. Monitor QA/IV&V consultant performance.

2.5.9 Agency Training Responsibilities

The Agency must:

a. Participate in training sessions.

b. Review and comment on draft deliverables.

c. Review and approve final deliverables.

d. Review all deliverables within 10 working days, unless otherwise determined by the Agency PM

e. Monitor QA/IV&V consultant performance.

2.5.10 Agency Implementation Responsibilities

The Agency must:

a. Provide staff to participate with the QA/IV&V consultant throughout this task.

b. Assist in the coordination of implementation activities.

c. Work with QA/IV&V consultant to conduct an operational and technical (Go/No Go) readiness assessment to determine the start of the Implementation task.

d. Provide approval to implement the new RS and operational processes.

e. Collaborate with the RS-R&R consultant and the QA/IV&V consultant to develop implementation contingency planning.

f. Implement and support the operation of the new RS within the Alabama Medicaid operational environment.

g. Review and comment on draft deliverables.

h. Review all deliverables within 10 working days, unless otherwise determined by the Agency PM Review and approve final deliverables.

i. Monitor QA/IV&V consultant performance.

2.5.11 Agency Stabilization Responsibilities

The Agency must:

a. Provide staff to participate with the QA/IV&V consultant throughout this task.

b. Assist in the coordination of Stabilization activities.

c. Collaborate with the RS-R&R consultant and the QA/IV&V consultant to create a Corrective Action Plan, if necessary.

d. Review and comment on draft deliverables.

e. Review and approve final deliverables.

f. Review all deliverables within 10 working days, unless otherwise determined by the Agency PM

g. Monitor consultant Performance.

2.5.12 Agency Certification Responsibilities

The Agency must:

a. Organize Certification Team composed of RS-R&R consultant, QA/IV&V consultant, and Agency.

b. Assist RS-R&R consultant in the development of the Certification Plan.

c. Provide Agency resources to participate in deliverable development and certification review.

d. Formally notify CMS that the new RS is ready for certification.

e. Monitor QA/IV&V consultant performance in preparing for certification.

f. Provide lead during CMS on-site certification review.

g. Review and respond to comments provided by CMS.

h. Collaborate with the RS-R&R consultant to create a Corrective Action Plan, if necessary.

i. Review and comment on draft deliverables.

j. Review and approve final deliverables.

k. Review all deliverables within 10 working days, unless otherwise determined by the Agency PM

l. Monitor QA/IV&V consultant performance.

3 PROPOSER RESPONSE FORMAT

3.1 Introduction

This section describes the format and requirements for the Proposer's submission of their proposals. Proposers shall build their proposal responses according to the formats, requirements and the order of items as defined in each section below. Each Proposer's proposal response shall be divided into two parts as described in Section 3.2.2.3 Transmittal Letter and Section 3.2.1 Proposal Response General in addition to providing the required number of copies as specified in Section 3.2.2 Proposal Response General.

3.2 Proposal Submission Requirements

Sealed proposal packages shall be mailed to:

Alabama Medicaid Agency
PO Box 5624
Montgomery, AL
36103-5624

Attention: John Napier

Or delivered to:

Alabama Medicaid Agency
501 Dexter Avenue
Montgomery, AL 36104

Attention: John Napier

Proposals submitted, in whole or in part, by modem or fax will be rejected. Late responses will not be accepted.

Proposals must be received by the Alabama Medicaid Agency no later than the date and time specified in the Section 1.05 - Schedule of Activities. It is the responsibility of the Proposer to ensure the proposal is delivered by the time specified. Proposals received after that time will not be considered.

3.2.1 Proposal Response General

The Proposal Response must present a complete and detailed description of the Proposer's qualifications to perform and its approach to carry out the requirements of this RFP. Any deviations in the Proposer's Proposal Response from the outline described could disqualify that proposal due to evaluation considerations. Other requirements for the RFP include the use of:

- 8.5 x 11-inch paper

- Font size of 11 points or larger shall be used, except in tables and charts where a font size of 10 points is acceptable
- Clearly page-numbered on the bottom (center or right) of each page

Brochures or other presentations, beyond that sufficient to present a complete and effective response, are not desired. Audio and/or videotapes are not allowed. Elaborate artwork or expensive paper is not necessary or desired. While the appearance of proposals and professional presentation is important, the use of non-recyclable or non-recycled glossy paper is discouraged.

A maximum page limit has been set for some sections of the Proposal Response. Proposers are required to respect these page limits to facilitate a timely and responsive evaluation. Pages in excess of these limits will be removed during Phase II in the evaluation of Mandatory Requirements.

Each proposer may submit one proposal. Each proposal shall be submitted in two parts, Business Response and Technical Response, the format and content of which are specified in the following subsections, and each part identified with the cover letters as provided in the following subsections.

3.2.2 Business Response Format

Proposers must submit one original and six hard-copy versions plus one electronic version of the proposal response. The original hard-copy version shall be identified as such and shall include the transmittal letter with the original signature. Electronic versions shall be submitted in Microsoft Word 2007 or Adobe PDF version 7 or higher. The original and each copy of the Proposer's proposal response package must be marked in accordance with the specifications below. Each Proposers proposal response package submitted must contain the items listed below in the order listed and the first group of documents in proposal response package should be the **Business Response:**

- The Alabama Medicaid Agency **Invitation to Propose Sheet(s)** signed and completed per the sheets instructions (each copy of the Proposer's response must also have a proposal sheet(s) as the first document
- Cover Page for **Business Response**
- The Letter of Transmittal
- Executive Summary
- Company Overview
- Use of Subcontractors
- Relevant Business Experience
- Approach and Methodology for IV&V Services
- Approach and Methodology for QA Services
- IV&V Project Plan
- QA Project Plan
- Project Management
- Proposed Staffing

- Agency Responsibilities
- Financial Status

The following sections provide a description of each of the bullet items above.

3.2.2.1 RFP Proposal Sheet

The business response shall include the proposal sheet signed in ink, notarized and completed per Agency specifications and included as the first document of the **original Business Response**. A copy of the original completed RFP Proposal Sheet must be included in each required copy in the specified order.

3.2.2.2 Cover Page for Business Response

The cover page for the **Business Response** should be a single page formatted and marked according to the business response example provided on the next page. This page shall be used to identify the Proposer's **Business Response** section of their proposal.

The cover page for the **Business Response** shall be a full and first page of this section marked as follows:

Alabama Medicaid Agency

IV&V and QA
Consultant Services

BUSINESS RESPONSE

PROPOSAL #: 2010-MITA-01

Opening Date: October 1, 2010

Company Submitting the Proposal:

_____

Proposal Submitted By (Company Representative):

_____

3.2.2.3 Transmittal Letter

The Transmittal Letter shall be submitted on official business letterhead by the prime consultant and shall be signed by an individual authorized to commit the company to the scope of work proposed.

The Transmittal Letter shall contain all of the following:

- Identification of all materials and enclosures being submitted collectively as a response to this RFP
- Identification of the Proposer who will be the prime consultant and the name of the corporation or other legal entity submitting the proposal. It shall also include a statement identifying any and all subcontractors, if any, who are needed in order to satisfy the requirements of this RFP. The percentage of work, as measured by percentage of total contract price, to be performed by the prime consultant shall be provided. Subcontracted work shall not collectively exceed 40 percent of the total contract price. The Proposer shall assume sole and exclusive responsibility for all of the Consultant Responsibilities and work indicated in the RFP (including any and all addenda). If no subcontractor is proposed, a statement shall be made identifying that fact.
- A statement that the prices proposed was arrived at independently without consultation, communication, or agreement with any other Proposer or competitor for this procurement
- A statement that the person signing this proposal is authorized to make decisions on behalf of the Proposer's organization as to the prices quoted
- A Disclosure Statement completed and submitted with the proposal required pursuant to Alabama Act 2001-955, located on the Attorney General's web site at the following address: http://www.ago.state.al.us/ag_items.cfm?Item=70

The transmittal letter must be signed by an individual authorized to commit the company to the work proposed. No reference is to be made to any pricing information or elements of cost. ***If any element of cost is referred to in the Transmittal Letter, the Proposer shall be disqualified.***

3.2.2.4 Executive Summary

The executive summary will condense and highlight the contents of the **Business and Technical Responses** in such a way as to provide the proposal evaluators with an overall understanding of the proposal The executive summary may be no longer than three pages. Title this section as **"Executive Summary"** in your Business Response.

3.2.2.5 Company Overview

Provide information about your company's capabilities satisfy the requirements of this RFP and why it should be selected for this project. The overview should describe the kinds of projects your firm typically performs.

If a Proposer is owned or controlled by a parent company, the name, main office address and parent company's tax identification number shall be provided in the proposal. Company

overview may be no longer than three pages. Title this section "**Company Overview**" in your Business Response.

3.2.2.6 Use of Subcontractors

Provide overview information about your company's plans to use a subcontractor or subcontractors to meet the requirements of this project. The overview should describe what functions or tasks the Subcontractor(s) would perform under this RFP. Overview may be no longer than three pages.

If subcontractors will not be used on this project, include statements in this section to specify your company's intentions not to use subcontractors. Title this section as "**Use of Subcontractors**" in your Business Response.

3.2.2.7 Relevant Business Experience

Provide a matrix (see Appendix H) which summarizes relevant projects completed by your firm, or the specific organizational unit of your firm that will be responsible for work performed in this contract. List the 10 most recent projects performed which demonstrates your ability to perform the requirements expressed in the RFP. All projects must be listed if your firm has less than ten relevant projects. The matrix must provide all of the information described below. Columns should be used as follows:

Column A: Provide the name of the client and a short project name and description.

Column B: Indicate if work was performed relative to consulting support and technical assistance for State Government Medicaid Management / Eligibility Information Systems. Indicate Yes or No in box.

Column C: Summary of Independent Verification and Validation (IV&V) and/or Quality Assurance (QA) performed on the project. Leave blank if not performed.

Column D: For each project, indicate the starting date of the project using Month/Day/Year (MM/DD/YY) format.

Column E: For each project, indicate the ending date of the project using Month/Day/Year (MM/DD/YY) format.

Column F: Check this box if the project was completed within the original timeframe. Leave blank if not.

Column G: Check this box if the project was completed within the original budget. Leave blank if not.

Column H: Check this box if your firm was involved in any litigation related to this project.

Column I: For each project, list names (or initials) of all staff members proposed for our project that participated on the project referenced in the table.

Column J: Provide the name of a client we may contact about the project, with verified telephone numbers (please include fax numbers and email address if available).

Medicaid reserves the right to contact any former client or employer with which the Proposer is known to have done business, whether provided as a reference or not.

Provide details for each project not completed on time or within budget. Also, provide the details of any litigation related to the project.

In addition to this summary, you may provide any additional information about the projects listed such as the purpose, scope, your firm's involvement, and the outcome or status of the project.

3.2.2.8 Approach and Methodology for IV&V Services

In 20 pages or less, describe your approach, methodology, skills, knowledge, ability, and any specialized tools that will be used to complete or address the items listed below. Each response to the list of items must have a separate header in this format: “Response to #” followed by the item number (e.g., “Response to #1”).

The State does not want a "rewrite" of the RFP requirements, since signing and returning the RFP signifies acceptance of the terms and conditions contained therein.

1. Establish a Project Management or Organizational Structure.
2. Establish mechanisms to track the progress of Project activities.
3. Establish guidelines and standards for documentation and processes.
4. Establish a Communication Plan.
5. Integrate work activities of consultant staff, Medicaid staff, and other stakeholders.
6. Assist the Project Management Office.
7. Coordinate Project activities with the Medicaid RFP Project Manager and other Medicaid staff.
8. Monitoring and reporting on the status of tasks of the RS-R&R Consultant.
9. Schedule, facilitate, and participate in meetings as needed or required.
10. Conduct assessments and analysis.
11. IV&V Consultant Responsibilities. (Note special instructions that follow.)

The following list of items corresponds to the IV&V Consultant Responsibilities in Section 2.3.2. For each Strategy and Methodology provided, Proposer must address each responsibility listed in that section as part of the comprehensive strategy and methodology. For example, when describing the strategy and methodology for IV&V Consultant Project Management Responsibilities in Section 2.3.2.1, the Proposer should, in that section, address responsibilities a – i.

The proposer must describe how each task in Section 2 Scope of Work will be performed, what problems need to be overcome, what functions Proposer staff will perform, and what assistance will be needed from Medicaid, if any. While Medicaid has not been prescriptive in the number of staff necessary to perform each task, Medicaid will expect this section to clearly explain how the staffing proposed in Section 3.2.3.5 will be adequate to fully perform each task. Any work, if any, proposed to be performed off-site must be clearly identified in this section.

Proposers should continue to follow instructions regarding the numbering of each response and include the number of pages for the following items in the count of the total of 20 pages maximum.

a. Maintain Separation of Responsibilities
b. Comprehensive Strategy and Methodology for the IV&V Project Management Task
c. Comprehensive Strategy and Methodology for the IV&V MITA/BPR Task
d. Comprehensive Strategy and Methodology for the IV&V Project Initiation Task
e. Comprehensive Strategy and Methodology for the IV&V Requirements Validation Task
f. Comprehensive Strategy and Methodology for the IV&V Detailed Software/System Design Task
g. Comprehensive Strategy and Methodology for the IV&V Data Conversion and Interfaces Task
h. Comprehensive Strategy and Methodology for the IV&V System Development Task
i. Comprehensive Strategy and Methodology for the IV&V Integration, System and Operational Readiness Testing Task
j. Comprehensive Strategy and Methodology for the IV&V User Acceptance Testing Task
k. Comprehensive Strategy and Methodology for the IV&V Documentation Review Task
l. Comprehensive Strategy and Methodology for the IV&V Training Task
m. Comprehensive Strategy and Methodology for the IV&V Implementation Task
n. Comprehensive Strategy and Methodology for the IV&V Lessons Learned Task

Title this section of your Business Response as "**Proposed IV&V Approach & Methodology."**

3.2.2.9 Approach and Methodology for QA Services

In 25 pages or less, describe your approach, methodology, skills, knowledge, ability, and any specialized tools that will be used to complete or address the items listed below. Each response to the list of items must have a separate header in this format: "Response to #" followed by the item number (e.g., "Response to #1").

The State does not want a "rewrite" of the RFP requirements, since signing and returning the RFP signifies acceptance of the terms and conditions contained therein.

1. Establish a Project Management or Organizational Structure.

2. Establish mechanisms to track the progress of Project activities.
3. Establish guidelines and standards for documentation and processes.
4. Establish a Communication Plan.
5. Integrate work activities of consultant staff, Medicaid staff, and other stakeholders.
6. Assist the Project Management Office.
7. Coordinate Project activities with the Medicaid RFP Project Manager and other Medicaid staff.
8. Monitoring and reporting on the status of tasks of the RS-R&R Consultant.
9. Schedule, facilitate, and participate in meetings as needed or required.
10. Conduct assessments and analysis.
11. QA Consultant Responsibilities. (Note special instructions below.)

The following list of items corresponds to the IV&V Consultant Responsibilities in Section 2.3.2. For each Strategy and Methodology provided, Proposer must address each responsibility listed in that section as part of the comprehensive strategy and methodology. For example, when describing the strategy and methodology for IV&V Consultant Management Responsibilities in Section 2.3.2.1, the Proposer should in that section address responsibilities a – i.

The proposer must describe how each task in Section 2 Scope of Work will be performed, what problems need to be overcome, what functions Proposer staff will perform, and what assistance will be needed from Medicaid, if any. While Medicaid has not been prescriptive in the number of staff necessary to perform each task, Medicaid will expect this section to clearly explain how the staffing proposed in Section 3.2.3.5 will be adequate to fully perform each task. Any work proposed to be performed off-site must be clearly identified in this section.

Proposers should continue to follow instructions regarding the numbering of each response and include the number of pages for the following items in the count of the total of 25 pages maximum.

a. Maintain Separation of Responsibilities
b. Comprehensive Strategy and Methodology for the QA Project Management Task
c. Comprehensive Strategy and Methodology for the QA Project Initiation Task
d. Comprehensive Strategy and Methodology for the QA Requirements Validation Task
e. Comprehensive Strategy and Methodology for the QA Detailed System Design Task
f. Comprehensive Strategy and Methodology for the QA Data Conversion and Interfaces Task
g. Comprehensive Strategy and Methodology for the QA System Development Task
h. Comprehensive Strategy and Methodology for the QA Integration, System and Operational Readiness Testing Task
i. Comprehensive Strategy and Methodology for the QA User Acceptance Testing Task

j. Comprehensive Strategy and Methodology for the QA Documentation Task
k. Comprehensive Strategy and Methodology for the QA Training Task
l. Comprehensive Strategy and Methodology for the QA Implementation Task
m. Comprehensive Strategy and Methodology for the QA Stabilization Task
n. Comprehensive Strategy and Methodology for the QA Certification Task
o. Comprehensive Strategy and Methodology for the Lessons Learned Responsibilities

Title this section of your Business Response as "**Proposed QA Approach & Methodology."**

3.2.2.10 IV&V Project Plan

In five pages or less, describe your IV&V project plan to be used in completing this project. The description of your project plans should cover the items listed below but are not limited to these items.

- Preliminary project plan to include:
  - Summary of the overall plan for the completion of Phase I and the initiation, execution, management and control of Phase II
  - Summary of the overall plan for IV&V consultant services
- Description of necessary relationships between the Proposer, subcontractors and Medicaid personnel to include:
  - Gantt chart which describes assignments, who will perform them and when they will be performed, to include completion dates
  - Estimated time requirements for all Medicaid employees corresponding to the Gantt chart
- Preliminary project timelines and milestones
- Describe in detail the office automation needed to support the proposed Project Team (e.g., computer connections, configuration, etc.)

The awarded consultant will be required to computerize the project management details using acceptable project management software (See Section 2.1.2 for acceptable project management software). This section must be titled as **"IV&V Project Plan"** in your Business Response.

3.2.2.11 QA Project Plan

In five pages or less, describe your QA project plan to be used in completing this project. The description of your project plans should cover the items listed below but are not limited to these items.

- Preliminary project plan to include:
  - Summary on the overall plan for the completion of Phase I and the initiation, execution, management and control of Phase II
  - Summary of the overall plan for QA consultant services

- Description of necessary relationships between the Proposer, subcontractors and Medicaid personnel to include:
    - Gantt chart, which describes assignments, who will perform them and when they will be performed, to include completion dates
    - Estimated time requirements for all Medicaid employees corresponding to the Gantt chart
- Preliminary project timelines and milestones
- Describe in detail the office automation needed to support the proposed Project Team (e.g., computer connections, configuration, etc.)

The awarded consultant will be required to computerize the project management details using acceptable project management software (See Section 2.1.2 for acceptable project management software). This section must be titled as **"QA Project Plan"** in your Business Response.

3.2.2.12 Project Management

In ten or less pages, describe your understanding of the project and address the objectives and requirements for IV&V and QA activities as defined in Section 2.2. Your description must include how the tasks in Sections 2.3.2 through 2.3.9 will be performed, what problems need to be overcome, what functions the Proposer's staff will perform, and what assistance will be needed from Medicaid, if any. Medicaid will expect this section to describe how the staffing proposed in Section 3.2.3.5 or the Proposer proposed staff positions will be adequate to perform each task.

Medicaid has provided some specific staffing requirements in Section 2.4, Proposers may propose the number of staff positions they need to meet the requirements for each task or deliverable. It is also allowable for the Proposer to submit staff positions equivalent to the staff positions described in Section 2.4. If equivalent positions are submitted by the Proposer, the proposal must describe in detail the staff responsibilities and relevant experience as it relates to their role in the project.

Section 2.1.2 provides details on offices space and equipment for up to ten Consultant staff. Medicaid will pay for all ***reasonable cost*** associated with telephone usage, fax usage, copier costs, postal costs, and office supplies.

The Consultant will be responsible for providing their staff beyond the ten staff members assigned to work out of the Medicaid Central Office with personal computer(s), peripherals, electronic media communication protocols, communication lines and software necessary to perform the requirements of this contract unless otherwise stated in Section 2.1.2.

Title this section of your Business Response as "Project Management."

3.2.2.13 Proposed Staffing

Consultant must furnish experienced, qualified professionals to ensure the success of the project. Accordingly, Proposers should provide a detailed listing of the individuals proposed to serve Medicaid on this assignment, along with a complete description of their roles and

responsibilities and an indication of their planned level of effort. Consultant should address each of the requirements in Section 2.4.

Resumes must be provided for each individual and identify their role in the project. Resumes must describe each individual's educational background, experience, other pertinent professional data, and should be sufficiently detailed to demonstrate an individual's qualifications and experience and include references. Proposers shall furnish staff with experience in projects using Microsoft .Net, SOA, SQL, and rules engines. Medicaid retains the right of approval over all proposed personnel, including potential substitutions to those proposed in response to this RFP.

It is expected that personnel proposed for the project will be committed and truly engaged with the project, and that inexperienced personnel will not be exchanged for them. Should specific personnel proposed by the Proposer not be available, or if Medicaid determines that key personnel are not providing an adequate amount of time on-site, Medicaid reserves the right to cancel the project and all prior agreements with the Proposer or make appropriate adjustments to any work plan and prices to be paid herein under. Title this section of your Business Response as the "**Proposed Staffing."**

Additionally, Medicaid reserves the right to impose liquidated damages of up to 10 percent of the total project price should specific personnel proposed by the Proposer or Medicaid approved substitutions not be available, or become materially absent during the course of the project.

3.2.2.14 Agency Responsibilities

Proposers shall respond to Section 2.5 by providing feedback in one page or less of whether or not they believe all responsibilities have been identified. If there are missing responsibilities that the Proposer believes the State should accept, they should be noted at this time. Medicaid reserves the right to accept or reject any additional requirements identified by the Proposer. Title this section of your Business Response as the "**Agency Responsibilities."**

3.2.2.15 Financial Status

Proposers shall state in the proposal whether or not they are a) a partnership, b) a non-profit corporation, c) Alabama Corporation, d) Non-Alabama Corporation, or e) some other structure.

Proposers shall submit copies of their most recent audited financial statements and report of audit. These shall include at least a balance sheet and income statement. Proposers shall also include a statement of the Proposer's other contractual obligations which might have an influence on the capabilities of the Proposer to perform the conditions of the contract (e.g., shared personnel). Title this section of your Business Response as the "**Financial Status.**"

3.2.3 Technical Response

The second part the documents that make up the Proposer's proposal response shall be marked "**Technical Response**" per specifications in Section 3.2.1 and shall immediately follow the "**Business Response**" section. Each Proposers proposal response package submitted must contain as part of their **"Technical Response"** the items listed below in the order listed:

- External Cover Page for Technical Response, formatted as indicated in Section 3.2.3.1
- Relevant Technical Experience
- IV&V Approach to Phase I and II
- QA Approach to Phase I and II
- Price Schedule I (See Appendix D)
- Price Schedule II (See Appendix E)

The following sections (Sections 3.2.3.1 through 3.2.3.6) provide a description of each of the above bullet items.

NOTE to PROPOSERS: **The State does not want a "rewrite" of the RFP requirements to address your requested Technical Response since signing and returning the RFP signifies acceptance of the terms and conditions contained therein.**

3.2.3.1 External Cover Page for Technical Response

The cover page for the **Technical Response** should be a single page formatted and marked according to the technical response example provided on the next page. This page shall be used to identify the beginning of the Proposer's Technical **Response** section of their proposal.

The cover page for the **Technical Response** shall be a full and first page of this section marked as follows:

Alabama Medicaid Agency

IV&V and QA
Consultant Services

TECHNICAL RESPONSE

PROPOSAL #: 2010-MITA-01

Opening Date: October 1, 2010

Company Submitting the Proposal: _____

Proposal Submitted By (Company Representative):
_____

3.2.3.2 Relevant Technical Experience

Use this section to describe in ten (10) pages or less, the proposed project team's experience with:

- Contracts with other state Medicaid Agencies relative to system design and implementation
- Analysis of best Recipients Information Subsystems (i.e., Recipient data, eligibility verification, interfaces, etc.)
- Implementation of information systems using database management systems
- Cooperative/distributed processing, open systems, and client/server architecture
- Web based development using SOAP/XML with Microsoft .NET technology
- Cooperative/distributed processing, N-Tier Architecture/technology, SOA, EAI, and ESB, open systems, client/server architecture
- SharePoint
- Visio Pro

Title this section of your Technical proposal "**Relevant Technical Experience.**"

3.2.3.3 IV&V Approach to Phase I and II

In this response section describe in five pages or less your approach to meeting the requirements in Phase I. Describe your transitioning strategy into Phase II. For Phase II, describe your approach to assisting the State Project Manager in development of project specific monitoring procedures in the following areas:

- Project Schedule
- Project Scope
- Project Quality Assurance
- Project Risk Analysis
- Project Change Management
- Project Communications Management

Title this section of your technical proposal "**IV&V Approach to Phase I and II.**"

3.2.3.4 QA Approach to Phase I and II

In this response section describe in five pages or less, your approach to meeting the requirements in Phase I. Describe your transitioning strategy into Phase II. For Phase II, describe your approach to assisting the State Project Manager with:

- Requirements validation
- Providing implementation guidance to the RS-R&R consultant
- All phases of testing
- Preparing for system certification

Title this section of your technical proposal "**QA Approach to Phases I and II.**"

3.2.3.5 Price Schedule I

Proposers are to complete this price schedule by entering the following:

- Staff by Title (IV&V Subject Matter Expert, QA Subject Matter Expert, Tester, etc.)
- Number of Staff
- Rate Per Hour
- Estimated Hours (project)
- Extended Price
- Grand Total Staff
- Grand Total Hours
- Grand Total Price

The Extended Price shall be calculated for each line item listed as the Rate Per Hour times the Estimated Hours (Extended Price = Rate Per Hour * Estimated Hours). The Grand Total Staff is the summed total of all staff listed under the # of Staff column. The Grand Total Hours is the summed total of all hours listed under the Estimated Hours column. The Grand Total Price is the summed total of all prices listed in the Extended Price column. The Grand Total Price must be transferred to Price Schedule II and recorded on the proper line as indicted on Schedule II (bottom of schedule). The rate per hour listed on this schedule shall be the rate per hour charged by the Awarded Consultant for the specified staff based on job title. The Awarded Consultant's staff rate per hour charges shall be based on the proposal response "Rate per Hour" in Price Schedule I as part of the awarded contract.

Price Schedule I must be signed and dated by a person in the Proposer's organization who can legally obligate the Proposer to the conditions of this contract. (See Appendix D Price Schedule I.)

3.2.3.6 Price Schedule II

Price Schedule II must be completed by the Proposer to list the Fixed Total Price the Proposer shall charge to deliver the Medicaid approved deliverable as listed on Price Schedule II. After the proposal award, this schedule shall be used to determine the amount due for each approved deliverable based on the contracted proposal Fixed Total Price. Proposers are to complete this pricing schedule by entering their prices for each deliverable listed. Proposers may add additional pertinent tasks/deliverables/requirements based on the Proposers IV&V and QA knowledge and experience within each stage of **Price Schedule II** as applicable. Should Proposers add to or modify this list with, for instance, deliverables they deem necessary, overlooked or innovated, they may make such recommendations in their proposal by adding the line item(s) to Pricing Schedule II where applicable and assigning an appropriate line item number based on the schema used in Price Schedule II. The Proposer must also provide a clear explanation of the requirements and purpose of any added or modified deliverable in a separate attachment. Medicaid shall determine if any line items added or modified on Schedule II by the proposing consultant are acceptable deliverables under the RFP (see Appendix E Price Schedule II). Payments will only be made on the successful completion and approval of a deliverable by Medicaid as itemized in Price Schedule II under the contract.

Each Proposer should calculate their Fixed Proposal Price for a line item to cover their cost for the deliverable to include the use of subcontractors. Elements of price applicable to the contract such as travel, clerical support, subsistence, training, etc., must also be considered in calculating a deliverable's Fixed Proposal Price. Proposing consultant staff hours expended to produce a deliverable should not be used in the overall calculation of the Fixed Proposal Price for a deliverable since staff time is billable at a stated rate per hour and can be billed as a separate line item.

A Grand Total Price of all line items in Price Schedule II is required and should be the same amount that is entered on the Medicaid Agency RFP Proposal Sheet for the **unit price** and **Proposal Total Price**. **In the event of a discrepancy, the unit price entered on the RFP Proposal Sheet shall govern.**

Price Schedule II must be signed and dated by a person in the Proposer's organization who can legally obligate the Proposer to the conditions of this contract. The Proposer shall fully define any commitment of Medicaid resources not included in the price of the proposal but are necessary to fulfill the requirements of the **MITA & BPR Phase I Project** or the **RS-R&R Phase II Project**.

3.2.4 Privacy Act

By submission of a proposal, the Proposer agrees that the Privacy Act of 1974, Public Law 93-579, and the Regulations and General Instructions issued pursuant thereto are applicable to this contract, and to all subcontracts hereunder to the extent that the design, development, operation, or maintenance of a system of records as defined in the Privacy Act is involved.

4 PROPOSAL EVALUATION CRITIERA

The objective of the proposal evaluation process is to determine the proposal which most cost effectively meets the Agency's goals and the requirements of this RFP. A comprehensive, fair, and impartial evaluation of proposals received in response to this procurement effort will be conducted. A proposal evaluation committee of Agency employees shall conduct the evaluation in the following sequence.

- Removal of non-responsive proposals
- Committee evaluation and scoring of responsive proposals
- Scoring of Cost Proposals
- Merging of Proposer Technical Proposal scores and Cost Proposal scores
- Evaluation Committee determination of Proposals Reasonably Likely for Award
- Oral Presentations - Optional
- Re-evaluation of proposals reasonably likely for award based on original proposals and any new information generated through oral presentations – if performed
- RFP Award Recommendation

4.1 Initial Classification of Proposals as Responsive or Non-Responsive

All proposals will initially be classified as either “responsive” or “non-responsive”. Proposals may be found non-responsive at any time during the evaluation process or contract negotiation if any of the required information is not provided; the submitted price is found to be excessive or inadequate as measured by criteria stated in the RFP; or the proposal is not within the plans and specifications described and required in the RFP. If a proposal is found to be non-responsive, it will not be considered further.

Proposals failing to demonstrate that the Proposer meets the mandatory requirements identified in Section 4.6.2 will be deemed non-responsive and not considered further in the evaluation process.

4.2 Determination of Responsibility

The Evaluation Committee will determine whether a Proposer has met the standards of responsibility. In determining responsibility, the committee may consider factors such as, but not limited to, the Proposer’s specialized expertise, ability to perform the work, experience and past performance. Such a determination may be made at any time during the evaluation process and through contract negotiation if information surfaces that would result in a determination of non-responsibility. If a Proposer is found non-responsible, a written determination will be made a part of the procurement file and mailed to the affected Proposer.

4.3 Evaluation of Proposals

All responsive proposals will be evaluated based on stated evaluation criteria as well as a comparative evaluation of all other qualified RFP responses in terms of differing price, quality,

and contractual factors. These scores will be used to determine the most advantageous offering to the State.

4.4 Completeness of Proposals

Selection and award will be based on the Proposer's proposal and other items outlined in this RFP. Submitted responses may not include references to information located elsewhere, such as Internet websites or libraries, unless specifically requested by the State in this RFP. Information or materials presented by Proposers outside the formal response will not be considered, will have no bearing on any award, and may result in the Proposer being disqualified from further consideration.

4.5 Opportunity For Additional Information

The State reserves the right to contact any Proposer submitting a proposal for the purpose of clarifying issues in that Proposer's proposal. Proposers should clearly designate in their proposal a point-of-contact for questions or issues that arise in the State's review of a Proposer's proposal. Upon receipt of all proposals, the State will conduct a comprehensive review and evaluation process resulting in a subset of the proposals being designated as "reasonably likely to award."Proposers whose proposals are determined "reasonably likely to award" may also be required to make an oral presentation at Medicaid Agency headquarters in Montgomery, AL, to clarify their RFP response or to further define their offer. Oral presentations, if requested, shall be at the Proposer's expense. The State's intent with regard to the oral presentation is to gauge the level of competence of proposed staff. Thus, the presentation must be conducted by the key staff proposed in the Proposer's proposal.

Those Proposers that have been eliminated will be notified accordingly.

4.6 Scoring

The evaluation process is designed to award the contract to the Proposer with the best combination of attributes based upon the evaluation criteria including, but not limited to, cost. The evaluation committee will review and evaluate proposals based on **a maximum possible value of 1000 points**. The **Business** and **Technical Responses** will be evaluated based on the following Scoring Guide for a value of 750 points, while the **Cost Proposal** will be evaluated based on the formula set forth in section 4.6.5 for a value of 250 points.

The composition of the Business and Technical Response total of 750 points is shown below:

Category	RFP Section	Point Value
References	**3.2.2.7**	**Pass/Fail**
Mandatory Proposal Requirements	**3.0**	**Pass/Fail**
Financial Status	**3.2.2.15**	**Pass/Fail**
Approach & Methodology for IV&V Services	**3.2.2.8**	**100**

Approach & Methodology for QA Services	**3.2.2.9**	**100**
IV&V Project Plan	**3.2.2.10**	**50**
QA Project Plan	**3.2.2.11**	**50**
Project Management	**3.2.2.12**	**100**
Proposed Staffing	**3.2.2.13**	**150**
Technical Experience	**3.2.3.2**	**200**

4.6.1 References

Strength - These references may be contacted to verify Vendor's ability to perform the contract. The State reserves the right to use any information or additional references deemed necessary to establish the ability of the Vendor to perform the conditions of the contract. Negative references may be grounds for proposal disqualification.

4.6.2 Mandatory Requirements Criteria

The following criteria serves as the proposal evaluator's criteria that shall be used to determine if a proposal is sufficiently responsive to the RFP's "Business Response" requirements as stated in Section 3.2.2 of the RFP. Any "Business Response" that is incomplete or in which there are significant inconsistencies or inaccuracies may be rejected by Medicaid. The Agency reserves the right to waive minor variances to reject any and all proposals, and to request clarifications from all Proposers. The Proposal evaluation criteria are as follows:

Table 4 Mandatory Requirements

Item	Criteria	Met Criteria (Yes/No)
1	Is the RFP Proposal Sheet included per requirements in **Section 3.2.2.1?**	
	If evaluator's response is "No" state reason(s) to justify response:	
2	Is the Cover Page included per requirements in **Section 3.2.2.2?**	
	If evaluator's response is "No" state reason(s) to justify response:	
3	Is the Letter of Transmittal included and does it meet the requirements in **Section 3.2.2.3?**	
	If evaluator's response is "No" state reason(s) to justify response:	
4	Is the Executive Summary included and meets the requirements of **Section 3.2.2.4?**	
	If evaluator's response is "No" state reason(s) to justify response:	
5	Is the Company Overview included and does it meet the requirements of **Section 3.2.2.5?**	
	If evaluator's response is "No" state reason(s) to justify response:	
6	Is the Use of Subcontractors section included and does it meet the	

Item	Criteria	Met Criteria (Yes/No)
	requirements in **Section 3.2.2.6?**	
	If evaluator's response is "No" state reason(s) to justify response:	
7	Is the Relevant Business Experience included and does it meet the requirements in **Section 3.2.2.7?**	
	If evaluator's response is "No" state reason(s) to justify response:	
8	Is the Financial Status included and does it meet the requirements of **Section 3.2.2.15?**	
	If evaluator's response is "No" state reason(s) to justify response:	

A response of "No" with valid reasons to justify the "No" response on any of the above criteria shall disqualify the Proposer from qualifying in the proposal evaluation process.

4.6.3 Financial Status

Stability - The evaluation will focus on the company's financial stability and the degree of corporate, financial, and technical resources at the company's disposal to be drawn upon in meeting the objectives of this engagement.

4.6.4 Business and Technical Response Evaluation.....750 POINTS OR 75%

4.6.4.1 Approach & Methodology for IV&V Services – 100 Points or 10%

Methodology – A maximum of 50 points will be awarded for proposals that delineate a logical, clear, and detailed methodology for providing IV&V services for all aspects of the Project and in meeting all Agency deliverables. Approaches emphasizing thorough analysis and detailed documentation will yield additional points.

Controls – A maximum of 50 points will be allocated for proposals with management controls that are sufficient to ensure successful completion of all IV&V tasks. Assumptions and constraints must be openly revealed as well as a discussion of the process for the Project Manager to obtain needed resources, the flexibility to adapt to a changing Project environment, and sound IV&V controls.

4.6.4.2 Approach & Methodology for QA Services – 100 Points or 10%

Methodology – A maximum of 50 points will be awarded for proposals that delineate a logical, clear, and detailed methodology for providing QA services for all aspects of the Project and in meeting all Agency deliverables. Approaches emphasizing thorough analysis and detailed documentation will yield additional points.

Controls – A maximum of 50 points will be allocated for proposals with management controls that are sufficient to ensure successful completion of all QA tasks. Assumptions and constraints must be openly revealed as well as a discussion of the process for the Project Manager to obtain needed resources, the flexibility to adapt to a changing Project environment, and sound QA controls.

4.6.4.3 IV&V Project Plan – 50 Points or 5%

Completeness – A maximum of 25 points will be allocated based upon the degree to which the proposal completely covers their project plan for completing Phase 1 and the initiation, execution, management and control of Phase ll. Project Plan should cover the overall plan for IV&V consultant services.

Quality - A maximum of 25 points will be allocated based upon the degree to which the proposal completely addresses quality in their Project Plan including internal quality reviews of documents before delivery to the Agency with additional time available for requested revisions.

4.6.4.4 QA Project Plan - 50 Points or 5%

Completeness – A maximum of 25 points will be allocated based upon the degree to which the proposal completely covers their project plan the initiation, execution, management and control of Phase ll. Project Plan should cover the overall plan for QA consultant services.

Quality - A maximum of 25 points will be allocated based upon the degree to which the proposal completely addresses quality in their Project Plan including internal quality reviews of documents before delivery to the Agency with additional time available for requested revisions

4.6.4.5 Project Management - 100 Points or 10%

Understanding of Project – A maximum of 75 points will be allocated based upon the degree to which proposals demonstrate an understanding and awareness of the IV&V and QA needs and objectives of the State during the Recipient Subsystem project. Proposers' proposals should establish a clear understanding of the scope and complexity of the Project and lay out a strategy for managing the volume of work that will be required to provide comprehensive IV&V and QA services for the Project.

Responsibilities - A maximum of 25 points will be allocated based upon the degree to which proposals demonstrate the delineation between Agency, Contractor (and Sub-contractor if applicable) responsibilities; as well as the separation of IV&V and QA services.

4.6.4.6 Project Staffing - 150 Points or 25%

Qualifications – A maximum of 50 Points will be awarded following an assessment of Proposers' proposed staff in the areas of education, certifications, and training background.

Experience - A maximum of 50 points will be awarded based on Proposers' staff members with recent and sustained IV&V and/or QA experience in projects of similar scope. Proposals will be reviewed for instances of project staff member's knowledge and experience with large-scale projects.

Structure – A maximum of 50 points will be assigned based on an evaluation of the Proposer's approach to project organization and staffing. The quantity and quality of staff proposed will be assessed as well as the appropriateness and value of the role/responsibilities each staff

member is assigned on the project team. A staffing approach that balances on-site full-time personnel with "just-in-time" as-needed expertise is preferred.

4.6.4.7 Technical Evaluation - 200 Points or 20%

Relevance - A maximum of 50 points will be assigned based on an evaluation of the Proposer's technical experience and its relevance and applicability to the provision of services as described in this RFP.

Extent - A maximum of 50 points will be assigned based on an evaluation of the Proposer's extent of experience in the areas described in this RFP.

Qualifications - A maximum of 100 points will be assigned based on an evaluation of the Proposer's technical experience and capability to deliver the quality and timeliness of performance needed to reduce the risk of the project as described in this RFP.

4.6.5 Cost Evaluation.....250 Points or 25%

The State of Alabama will only accept firm and fixed cost proposals for this Project. The Proposer should provide a firm fixed price for the projected twenty eight (28) month term of the contract. This figure shall be used for evaluation purposes. The lowest overall cost receives the maximum allotted points. All other proposals receive a percentage of the points available based on their cost relationship to the lowest. Example: Total possible points for cost are 250. Proposer A's cost is $20,000. Proposer B's cost is $25,000. Proposer A would receive 25 points, Proposer B would receive 20 points ($20,000/$25,000) = 80% x 250 points = 200).

Lowest Responsive Offer Total Cost**/** This Proposer's Total Cost X Number of Available Points = Award Points

4.7 Phase IV – RFP Award Recommendation

In the event the State determines that oral presentations will be needed, proposals will be re-evaluated after considering any new information provided in accordance with section 1.1.19.

The RFP evaluation committee shall submit a written recommendation to the Commissioner to award the RFP to the Proposer whose proposal has been determined to be the most advantageous to the State. The Commissioner will make the final decision to award the contract based on the recommendations of the evaluation committee. If the Proposer selected is unwilling or unable to perform, the proposal bond will be forfeited and the Agency may award to the next lowest responsible and responsive Proposer most advantageous to the state.

4.8 State and Federal Approvals

State and Federal approval is required before the Agency may award a contract. By State law, all contracts must be reviewed by the Legislative Oversight Committee and approved by the Governor. In addition the contract must also be approved by CMS. Every effort will be made by the Agency, both before and after selection, to facilitate the rapid approval and an early start

date.

5 GENERAL TERMS AND CONDITIONS

5.1 General Contract Terms

5.1.1 Entire Agreement

This RFP and the Consultant's response thereto shall be incorporated into a contract by the execution of a formal agreement. No alteration or variation of the terms of these contracts shall be valid unless made in writing and duly signed by the parties thereto. Oral understandings of this agreement are not incorporated therein and no alterations or variations of the terms thereof shall be binding on any of the parties unless made in writing between the parties. The contract shall be amended by written agreement duly executed by the parties; every such amendment shall specify the date of its provisions and shall be effective as agreed to by the parties. The contract and amendments, if any, are subject to approval by the CMS and the Governor of the State of Alabama.

Execution of the contract and posting of the performance bond shall authorize the Consultant to undertake performance of the contract and shall entitle Consultant to be reimbursed for costs incurred in such performance, subject to all terms and conditions of the contract.

5.1.2 Notice to Parties

Any notice to the Agency shall be sufficient when mailed to the Commissioner of the Alabama Medicaid Agency, P.O. Box 5624, Montgomery, AL 36103-5624. Any notice to the Consultant shall be sufficient when mailed to the Consultant at the address given on the return receipt from this RFP or on the contract after signing. All notices shall be given by certified mail, return receipt requested.

5.1.3 Headings and Titles

Any headings or titles used to help identify any part of this RFP or any contract upon which it is based are for reference purposes only and shall not be deemed as controlling the interpretation or meaning of any provision of this RFP or any contract upon which it shall be based.

5.1.4 Compliance with Federal and State Requirements

The Consultant shall perform all services under these contracts in accordance with applicable Federal and State statutes and regulations. The Agency retains full operational and administrative authority and responsibility over the Alabama Medicaid Program in accordance with the requirements of the Federal statutes and regulations as the same shall be amended from time to time including the Health Insurance Portability and Accountability Act of 1996. The Consultant will be considered a Business Associate of the Agency and will be required to sign a Medicaid Business Associate Addendum. (See sample in Appendix C.)

5.1.5 Beginning Work Under Contract

The Consultant acknowledges and understands that the contract is not effective until they have received all requisite State approvals, and the Consultant shall not begin performing work under these contracts until notified to do so by the Agency. The Consultant is entitled to no compensation for work performed prior to the effective date of these contracts.

5.1.6 Term of the Contract

This contract shall begin on the date of award and shall continue for 24 months, and may be extended for 12 additional months at the option of the Agency. The contract may also be mutually extended as hereinafter provided.

Contract Content and Other Priority Documents

The contracts shall include the following:

- Executed contract
- RFP, and any amendments thereto
- Consultant's response to the RFP

The contracts shall be construed in accordance with and in the order of the applicable provisions of:

- Title XIX of the Social Security Act, as amended, and regulations promulgated there under by HHS and any other applicable Federal statutes and regulations
- The statutory and case law of the State of Alabama
- The Alabama State Plan for Medical Assistance under Title XIX of the Social Security Act, as amended
- The Alabama Medicaid Agency Administrative Code
- The Alabama Medicaid Provider Manual
- The Agency's written responses to prospective Proposers' questions

5.1.7 Contract Amendments

The contract shall be deemed to include all applicable provisions of the State Plan and of all State and Federal laws and regulations applicable to the Alabama Medicaid Program, as they may be amended. In the event of any substantial change in such Plan, laws, or regulations, which materially affect the operation of the Alabama Medicaid Program, or the costs of administering such Program, either party, after written notice and before performance of any related work, may apply in writing to the other for an equitable adjustment in compensation caused by such material change.

5.1.8 Changes to the Statement of Work

During the contract period, if the Consultant considers that any written or oral communication, including any order, direction, instruction, interpretation, or determination, received from the Project Manager or any Alabama Medicaid agent or representative, or that any other act or omission of the Alabama Medicaid Agency, its agent or representative (an "Event") constitutes a change to the scope of the Statement of Work of this RFP but is not plainly identified, labeled, or

titled as such, the Consultant shall advise the designated Agency contact person in writing within 10 business days of the Event and shall request written confirmation of the Event. The notice shall state:

- The nature and pertinent circumstances of the communication, act, or omission regarded as a change in scope of the Statement of Work by the Consultant
- The date of the communication, act, or omission, and the identification of each individual involved in such communication, act, or omission, listing his or her name and function
- The identification of the documents involved
- The substance of any oral communications
- The particular technical requirements or contract requirements regarded as changed
- The direct and foreseeable consequential effect of the communication, act, or omission regarded as a change to the scope of the Statement of Work, including the number of hours required from the staff to accomplish the change and the manner and sequence of performance or delivery of supplies or services, identifying which supplies or services are or shall be affected

The Agency shall respond within 10 days of receipt of the Consultant's notice, either:

- To countermand the action or communications regarded as an Event
- To deny that the Event is a change in the scope of the Statement of Work
- To confirm that the Event is a change to the scope of the Statement of Work by issuance of a written notice
- If the information in the Consultant's notice is inadequate to permit a decision to be made, advise the Consultant as to what additional information is required and establish the date by which this information shall be furnished

If the Consultant complies with any order, direction, interpretation, or determination, written or oral, without providing the notice, in accordance with this section, the Agency shall not be liable for any increased price, delay in performance, or contract nonconformance by the Consultant.

If the Consultant does not agree with the decision of the Agency designee, the Consultant has 30 days to appeal the decision to the Commissioner of Medicaid.

5.1.9 Additions to Permanent Staff

Both the Consultant and the Agency must agree upon additions to contract-required staff or key personnel. The reimbursement of the staff cannot exceed the current Consultant rate being paid for equivalent staff.

5.1.10 Force Majeure

Neither party to this contract shall be responsible for delays or failures in performance resulting from acts beyond the control of such party. Such acts shall include, but not be limited to, acts of God, strikes, riots, lockouts, and acts of war, epidemics, fire, earthquakes, or other disasters.

5.1.11 Not a Debt of the State

It is agreed that the terms and commitments contained herein shall not be constituted as a debt of the State of Alabama in violation of Article 11, Section 213 of the Constitution of Alabama, 1901, as amended by Amendment 26. It is further agreed that if any provision of this contract shall contravene any statute or Constitutional provision or amendment, either now in effect or which may, during the course of these contracts, be enacted, then that conflicting provision in the contract shall be deemed null and void. The Consultant's sole remedy for the settlement of any and all disputes arising under the terms of these contracts shall be limited to the filing of a claim with the Board of Adjustment for the State of Alabama.

5.1.12 Use of Federal Cost Principles

For any terms of these contracts which allow reimbursement for the cost of procuring goods, materials, supplies, equipment, or services, such procurement shall be made on a competitive basis (including the use of competitive proposing procedures) where practicable, and reimbursement for such cost under these contracts shall be in accordance with 48 CFR Parts 300 to 399. Further, if such reimbursement is to be made with funds derived wholly or partially from Federal sources, such reimbursement shall be subject to Consultant's compliance with applicable Federal procurement requirements, and the determination of costs shall be governed by Federal cost principles.

5.1.13 Non-assignment

These contracts shall not be assigned without written consent of the Agency. Except under exceptional circumstances, no such consent shall be given.

5.1.14 Subcontracts

The Consultant may subcontract for any services necessary to the completion and maintenance of this contract and to the performance of its duties under this contract with advance written approval by the Agency of both the subcontracted function and the subcontractor. Subcontractors include those whose services shall be purchased or software licensed by the Consultant, and any business partnerships between the Consultant and others. Subcontractors shall demonstrate the capability to perform the function to be subcontracted at a level equal or superior to that of the Consultant. All subcontracts shall be in writing, with the subcontractor functions and duties clearly identified, and shall require the subcontractor to comply with all applicable provisions of this RFP. The Consultant shall at all times remain responsible for the performance by any subcontractors approved by the Agency. The Consultant's performance bond and Consultant's responsibility for damages shall apply whether performance or nonperformance was by the Consultant or one of its subcontractors. The Agency shall not release the Consultant from any claims or defaults of this contract, which are predicated upon any action or inaction or default by any subcontractor of the Consultant, even if such subcontractor was approved by the Agency as provided above. The Consultant shall give the Agency notice in writing by certified or registered mail of any action or suit filed against it by any subcontractor and prompt notice of any claim made against the Consultant by any subcontractor or consultant, which in the opinion of the Consultant may result in litigation related in any way to this contract with the State of Alabama.

In the event of a proposal submitted jointly by more than one organization, one organization must be designated as the prime consultant and must have responsibility for the project management and not less than 60 percent of the work to be performed (as measured by price). All other participants shall be designated as subcontractors. The State encourages Proposers to consider the use of minority and small business firms as subcontractors.

5.1.15 Firm and Fixed Price

Refer to 1.1.25 Proposal Prices.

5.1.16 Consultant not Entitled to Merit System Benefits

Under no circumstances shall the Consultant be entitled to receive the benefits guaranteed to State employees under the Merit System Act.

5.1.17 Conservation of Resources

To the extent practicable and economically feasible, the Consultant shall utilize products and services that conserve natural resources and protect the environment and are energy efficient.

5.2 Termination

This Contract may be terminated by Medicaid for any and all of the following reasons:

- In the event of the insolvency of or declaration of bankruptcy by the Consultant
- For any default by the Consultant
- In the event sufficient appropriated, obligated funds from either State or Federal sources no longer exist for the payment of Medicaid's obligation herein under
- For the convenience of Medicaid

Each of these is described in the following subsections.

5.2.1 Termination for Bankruptcy

The filing of a petition for voluntary or involuntary bankruptcy or a company or corporate reorganization pursuant to the Bankruptcy Act shall, at the option of the Agency, constitute default by the Consultant effective the date of such filing. The Consultant shall inform the Agency of any such action(s) immediately upon occurrence by the most expeditious means possible (i.e., telephone, fax, Federal Express (FedEx), regular mail, etc.).

5.2.2 Termination for Default

The Agency may, by written notice, terminate performance under these contracts, in whole or in part, for failure of the Consultant to perform any of the material contract provisions. In the event the Consultant defaults in the performance of any of the Vendor's material duties and obligations, written notice shall be given to the Consultant specifying default. A copy of the written notice shall be sent to the Surety for the Consultant's Performance Bond.

The Consultant shall have 30 calendar days, or such additional time as agreed to in writing by the Agency, after the mailing of such notice to cure any default. In the event the Consultant does not cure a default within 30 calendar days, or such additional time allowed by the Agency, the Agency at its option may notify the Consultant in writing that performance under the contract is terminated and proceed to seek appropriate relief from the Consultant and Surety. If it is determined, after notice of termination for default, that the Consultant's failure was due to causes beyond the control of and without error or negligence of the Consultant, the termination shall be deemed a termination for convenience under *Section 5.02.04*.

5.2.3 Termination for Unavailability of Funds

Performance by the State of Alabama of any of its obligations under these contracts is subject to and contingent upon the availability of State and Federal monies lawfully applicable for such purposes. If the State of Alabama, in its sole discretion, deems at any time during the term of these contracts that adequate monies lawfully applicable to this agreement shall not be available for the remainder of the term, the Agency shall promptly notify the Consultant to that effect, whereupon the obligations of the parties hereto shall end as of the date of the receipt of such notice and the contract shall at such time be canceled without penalty to the State of Alabama or the Federal Government.

5.2.4 Termination for Convenience

The Agency may terminate performance of work under the Contract in whole or in part whenever, for any reason, the Agency, in its sole discretion determines that such termination is in the best interest of the State. In the event that the Agency elects to terminate the contract pursuant to this provision, it shall so notify the Consultant by certified or registered mail, return receipt requested. The termination shall be effective as of the date specified in the notice. In such event, the Consultant will be entitled only to payment for all work satisfactorily completed and for reasonable, documented costs incurred in good faith for work in progress. The Consultant will not be entitled to payment for uncompleted work, or for anticipated profit, unabsorbed overhead, or any other costs.

5.3 Consultant's Duties Upon Expiration/Termination

5.3.1 Procedure for Termination

Prior to the conclusion of these contracts, the Consultant shall provide, at no extra charge, full support and assistance in turning over the complete and current deliverables to the Agency or its agent. The Agency desires a low-risk turnover that is transparent. Specific objectives are to provide for an orderly, complete, and controlled transition to a successor Consultant and to minimize any disruption of processing and services provided.

The Consultant must:

- Stop work under these contracts on the date and to the extent specified in the notice of termination
- Place no further orders or subcontracts for materials or services, except as may be necessary for completion of such portion of work under these contracts as is not terminated
- Terminate all orders and subcontracts to the extent that they relate to the performance of work terminated by the notice of termination
- Assign to the Agency, in the manner and to the extent directed by the Agency, all of the rights, title, and interest of the Consultant under the orders or subcontracts so terminated, in which case the Agency shall have the right, in its discretion, to settle, pay or deny any or all claims arising out of the termination of such orders and subcontracts
- With the prior approval or ratification of the Agency, settle all outstanding liabilities and all claims arising out of such termination of orders and subcontracts, the cost of which would be reimbursable in whole or in part, in accordance with the provisions of these contracts. Failure to obtain prior approval shall result in loss of the Agency reimbursement
- Complete the performance of such part of the work as shall not have been terminated by the notice of termination
- Take such action as shall be necessary, or as the Agency shall direct, for the protection and preservation of any and all property or information related to these contracts which is in the possession of the Consultant and in which the Agency has or shall acquire an interest
- Upon Agency direction, the Consultant shall change the disposition of pending claims transactions to deny

5.3.2 Termination Claims

After receipt of a notice of termination, Consultant must submit to the Medicaid RFP Project Manager and the Primary Coordinator any termination claim in the form and with the certification prescribed by the Medicaid RFP Project Manager and the Primary Coordinator. Such claim shall be submitted promptly but in no event later than sixty days from the effective date of termination. Upon failure of the Consultant to submit its termination claim within the time allowed, the Medicaid RFP Project Manager and the Primary Coordinator may, subject to any review required by the State procedures in effect as of the date of execution of the contract, determine, on the basis of information available, the amount, if any, due to the Consultant by reason of the termination and shall thereupon cause to be paid to the Consultant the amount so determined.

Upon receipt of notice of termination, Consultant must have no entitlement to receive any amount for lost revenues or anticipated profits or for expenditures associated with this or in any other contract. Consultant shall be paid only by the following upon termination:

- At the contract price(s) for completed deliverables and services delivered to and accepted by Medicaid
- At a price mutually agreed by the Consultant and Medicaid for partially completed deliverables

In the event of the failure of the Consultant and Medicaid to agree in whole or in part as to the amounts with respect to costs to be paid to the Consultant in connection with the total or partial termination of work pursuant to this article, Medicaid shall determine on the basis of information available the amount, if any, due to the Consultant by reason of termination and shall pay to the Consultant the amount so determined.

5.4 Employment

5.4.1 Nondiscrimination Compliance

The Consultant shall comply with Title VI of the Civil Rights Act of 1964, Section 504 of the Rehabilitation Act of 1973, the Age Discrimination Act of 1975, Executive Order No. 11246, as amended by Executive Order No. 11375, both issued by the President of the United States, the Americans with Disabilities Act of 1990, and with all applicable Federal and State laws, rules and regulations implementing the foregoing statutes with respect to nondiscrimination in employment. The Consultant shall not discriminate against any employee or applicant for employment because of a physical or mental disability in regard to any position for which the employee or applicant is qualified. The Consultant agrees to take affirmative action to employ, advance in employment, and otherwise treat qualified disabled individuals without discrimination based on their physical or mental disability in all employment practices.

5.4.2 Small Businesses, Minority-Owned Firms and Women's Business Enterprises Utilization

In accordance with the provisions of 45 CFR Part 74 and OMB Circular A-102, affirmative steps shall be taken to assure that small businesses, minority-owned firms and women's business enterprises are utilized when possible as sources of supplies, equipment, construction, and services.

5.4.3 Worker's Compensation

The Consultant must take out and maintain during the initial term of these contracts and any renewal thereof, worker's compensation insurance for all of its employees working as part of this Contract; and, in the event any work is subcontracted, the Consultant must require any subcontractor similarly to provide worker's compensation insurance for all the latter's employees working as a part of this Contract.

5.4.4 Other Insurance

The Consultant must obtain, pay for and keep in force the following minimum insurance coverage and shall furnish a certificate to the Agency evidencing that such insurance is in effect:

- Comprehensive general liability policy with endorsement to insure contractual liability, personal injury, personal and advertising liability waiving right of subrogation against the State
- Liability insurance against bodily injury or death of any one person in any one accident in the amount of five hundred thousand dollars ($500,000) and in the amount of $1,000,000.00 for

the injury or death of more than one person in any accident. Insurance against liability for property damages in the amount of $100,000.00)

It shall be the responsibility of the Consultant to require any subcontractor to secure the same insurance coverage as prescribed herein for the Consultant, and to furnish to the Agency a certificate or certificates evidencing that such insurance is in effect. Evidence of insurability under these provisions shall be directed to the Agency. In addition, the Consultant must indemnify and save the State harmless from any liability arising out of the Consultant's or any subcontractor's untimely failure in securing adequate insurance coverage as prescribed herein. All such coverage shall remain in full force and effect during the initial term of these contracts and any renewal thereof.

5.4.5 Employment of State Staff

The Consultant shall not knowingly engage on a full-time, part-time, or other basis during the period of these contracts, any professional or technical personnel who are or have been in the employ of the Agency during the previous 12 months, except regularly retired employees, without the written consent of the Agency. Certain Agency employees may be subject to more stringent employment restrictions under the Alabama Code of Ethics, §36-25-1, et seq., Code of Alabama 1975.

5.4.6 Additional Terms and Conditions For Consultant's Personnel

Consultant warrants and represents that all persons including independent contractors and consultants assigned by it to the performance of this contract shall be agents of the Consultant and shall be fully qualified to perform the work required herein. Consultant must include a similar provision in any contract with any subcontractor selected to perform work there under.

Medicaid shall have the absolute right to approve or disapprove Consultant's staff assigned to this contract, to approve or disapprove any proposed changes in staff, and to require the removal or reassignment of any Consultant employee or subcontractor employee found unacceptable by Medicaid. Upon request, Consultant must provide Medicaid with a resume of any member of its staff or its subcontractor's staff assigned to or proposed to be assigned to any aspect of the performance of this contract.

Personnel commitments made in Consultant's proposal shall not be changed except as hereinabove provided, or due to a resignation of any named individual. Consultant staffing will include the named individuals at the levels of effort proposed in the Consultant's proposal. Replacement of any personnel will be with personnel of equal ability and qualifications as determined by Medicaid. No diversion of staffing will be made by the Consultant without prior written consent of Medicaid.

Consultant must provide staff to perform all tasks specified as the Consultant's responsibilities in this RFP. The staff level must be maintained at the level stated in the proposal or as authorized in writing by Medicaid for the duration of the contract.

Failure of the Consultant to provide staffing at the contracted and Medicaid approved level may result in liquidated damages.

The Consultant will commit all personnel specified in this proposal to this contract unless Medicaid exercises its option to have a staff person removed. Medicaid will be provided unrestricted access to appropriate Consultant personnel for discussion of problems or concerns.

5.4.7 Federal Involvement Practices Requirements

The Consultant will not discriminate against any employee or applicant for employment because of race, color, religion, sex, national origin, age, marital status, political affiliation, or disability. The Consultant will take affirmative action to employ and treat employees during employment without discrimination because of their race, color, religion, sex, national origin, age, marital status, political affiliation, or disability. Such action will include, but will not be limited to, the following:

- Employment
- Upgrade
- Promotion
- Demotion
- Transfer
- Recruitment
- Advertisement for Recruitment
- Layoff
- Termination
- Rates of pay or other compensation; and
- Selection for training (including apprenticeship)

The Consultant agrees to post in conspicuous places, available to employees and applicants for employment, notices setting forth the provision of this nondiscrimination clause.

The Consultant will in all solicitations or advertisements for employees, placed by or on behalf of the Consultant, state that all qualified applicants will receive consideration for employment without regard to race, color, religion, sex, national origin, age, marital status, political affiliation or disability except where it relates to a bona fide occupational qualification.

5.5 Guarantees, Warranties, and Certifications

5.5.1 Security and Release of Information

The Consultant shall take all reasonable precautions to ensure the safety and security of all information, data, procedures, methods, and funds involved in the performance under these contracts, and shall require the same from all employees so involved. In compliance with 42 CFR §431.300 et seq., the Consultant shall conform to the requirements of Federal and State regulations regarding confidentiality of information about eligible recipients. The Consultant shall not release any data or other information relating to the Alabama Medicaid Program without prior written consent of the Agency. This provision covers both general summary data as well as detailed, specific data. The Consultant shall not be entitled to use of Alabama Medicaid Program data in its other business dealings without prior written consent of the

Agency. All requests for program data shall be referred to the Agency for response by the Commissioner only.

Consultant must treat all information, including that relating to recipients and providers, which is obtained by the Consultant through his/her performance under the contract as confidential information, and shall not use any information so obtained in any manner except as necessary for the proper discharge of its obligations and securement of its rights herein, or as otherwise provided for herein. Medicaid, the Attorney General, Federal officials as authorized by Federal law or regulations, or the authorized representatives of these parties shall have access to all confidential information in accordance with the requirements of State and Federal laws and regulations. Any other party will be granted access to confidential information only after complying with requirements of State and Federal laws and regulations pertaining to such access. Medicaid shall have absolute authority to determine if any other party has properly obtained the right to have access to this confidential information.

5.5.2 Confidentiality

The Consultant shall treat all information, and in particular information pertaining to individuals that is obtained by or through its performance under the contract, as confidential information to the extent confidential treatment is provided under State and Federal laws including CFR 160.101-164.534. Consultant shall not use any information so obtained in any manner except as necessary for the proper discharge of its obligations and rights under this contract.

Consultant shall ensure safeguards that restrict the use or disclosure of information concerning individuals to purposes directly connected with the administration of Plan in accordance with 42 CFR Part 431, Subpart F, as specified in 42 CFR 434.6(a)(8). Purposes directly related to the Plan administration include:

Establishing eligibility;

Determining the amount of medical assistance;

Providing services for recipients; and

Conducting or assisting in an investigation, prosecution, or civil or criminal proceeding related to the administration of the Plan.

Pursuant to the requirements of the Health Insurance Portability and Accountability Act (HIPAA) of 1996 (Public Law 104-191), the Consultant shall sign and comply with the terms of a Business Associate Agreement with the Agency (See Appendix C).

5.5.3 Federal Nondisclosure Requirements

Each officer or employee of any person to whom Social Security information is or may be disclosed shall be notified in writing by such person that Social Security information disclosed to such officer or employee can be only used for authorized purposes and to that extent and any other unauthorized use herein constitutes a felony punishable upon conviction by a fine of as much as five thousand dollars ($5,000) or imprisonment for as long as five years, or both, together with the cost of prosecution. Such person shall also notify each such officer or

employee that any such unauthorized further disclosure of Social Security information may also result in an award of civil damages against the officer or employee in an amount not less than $1,000.00 with respect to each instance of unauthorized disclosure. These penalties are prescribed by IRC Sections 7213 and 7431 and set forth at 26 CFR 301.6103(n).

Additionally, it is incumbent upon the Consultant to inform its officers and employees of penalties for improper disclosure implied by the Privacy Act of 1974, 5 USC 552a. Specifically, 5 USC 552a (1) (1), which is made applicable to the Consultants by 5 USC 552a (m) (1), provides that any officer or employee of the Consultant who, by virtue of his/her employment or official position, has possession of or access to Agency records which contain individually identifiable information, the disclosure of which is prohibited by the Privacy Act or regulations established there under, and who knowing that disclosure of the specific material is prohibited, willfully discloses that material in any manner to any person or agency not entitled to receive it, shall be guilty of a misdemeanor and fined not more than five thousand dollars ($5,000).

5.5.4 Health Insurance Portability and Accountability Act of 1996 Requirements

All parties shall comply with the provisions of the Health Insurance Portability and Accountability Act of 1996 and any implementing regulations as adopted.

All parties shall execute the Business Associate Agreement at described in Section 5.1.4 in order to enable access to Private Health Information (PHI) in the course of performing the IV&V or QA duties specified in this RFP. (See sample agreement at Appendix C)

5.5.5 Share of Contract

No official or employee of the State of Alabama shall be permitted any share of these contracts or any benefit that may arise there from.

5.5.6 Provision of Gratuities

Neither the Consultant nor any person, firm or corporation employed by the Consultant in the performance of these contracts shall offer or give, directly or indirectly, to any employee or agent of the State, any gift, money or anything of value, or any promise, obligation or contract for future reward or compensation at any time during the term of these contracts.

5.5.7 Conflict of Interest

The Consultant covenants that it presently has no interest and shall not acquire any interest, direct or indirect, which would conflict in any manner or degree with the performance of its services hereunder. The Consultant further covenants that in the performance of these contracts no person having any such known interests shall be employed by the Consultant.

5.5.8 Debarment

The Consultant certifies that neither it nor its principals is presently debarred, suspended, proposed for debarment, declared ineligible, or voluntarily excluded from participation in this contract by any Federal department or agency.

5.5.9 Performance Bond

In order to assure full performance of all obligations imposed on a Consultant contracting with the State of Alabama, the Consultant will be required to provide a performance guarantee in the amount of $25,000.00. The performance guarantee must be submitted by Consultant at least ten calendar days prior to the contract start date. The form of security guarantee shall be one of the following: (1) Cashier's check (personal or company checks are not acceptable) (2) Other type of bank certified check (3) Money order (4) An irrevocable letter of credit (5) Surety bond issued by a company authorized to do business within the State of Alabama. This bond shall be in force from that date through the term of the operations contract and 90 calendar days beyond and shall be conditioned on faithful performance of all contractual obligations. Failure of the Consultant to perform satisfactorily shall cause the performance bond to become due and payable to the State of Alabama. The Alabama Medicaid Agency Office of General Counsel shall be custodian of the performance bond. Said bond shall be extended in the event the Agency exercises its option to extend the operational contract.

5.5.10 Indemnification

The Consultant agrees to indemnify, defend and hold harmless the State, the Agency, and their officers, agents and employees (hereinafter collectively referred to as "indemnitees"), for all claims, losses, or suits accruing or resulting from the Consultant's performance or non-performance of its duties under these contracts. The Consultant, at its own expense, shall defend any claim or suit which may be brought against the State for the infringement of any patents, copyrights, proprietary rights or right of privacy arising from the Consultant's or State's use of any equipment, materials, or information prepared or developed in conjunction with performance of these contracts. The Consultant shall, in any such suit, satisfy any final judgment for infringement. Any Federal sanction or damages, other than those specified herein, imposed upon the State due to the Consultant's failure to perform its responsibilities under these contracts shall be paid by the Consultant.

The Consultant hereby waives, releases, relinquishes, discharges and agrees to indemnify, protect and hold harmless the indemnitees of and from any and all claims, demands, liabilities, loss, costs or expenses for any loss or damage, (including but not limited to bodily injury or personal injury including death, property damage, workers' compensation benefits, employment benefits, libel, slander, defamation of character and invasion of privacy) and attorney fees, caused by, growing out of, or otherwise happening in connection with these contracts, due to any act or omission (whether intentional or negligent, through theft or otherwise), or due to any breach of this contract, or due to the application or violation of any pertinent Federal, State or local law, rule, policy or regulation by the Consultant.

This indemnification applies whether: (1) the activities involve third parties or employees, subcontractors or agents of the Consultant or indemnitees, or (2) a claim results in a monetary obligation that exceeds any contractual commitment.

This indemnification extends to the successors and assigns of the Consultant, and this indemnification and release survives the termination of this contract and the dissolution or, to the extent allowed by law, the bankruptcy of the Consultant.

The Consultant must, at its expense, be entitled to and shall have the duty to participate in the defense of any suit against the indemnitees. No settlement or compromise of any claim, loss or damage asserted against indemnitees shall be binding upon the indemnitees unless expressly approved by the indemnitees.

5.5.11 Compliance with Environmental Standards

The Consultant agrees to comply with all applicable standards, orders or regulations issued pursuant to the Clean Air Act, 42 U.S.C. 7401 et seq. and the Federal Water Pollution Control Act, as amended 33 U.S.C. 1251 et seq., Executive Order 11738, and other Environmental Protection Agency regulations.

5.5.12 Waiver

No covenant, condition, duty, obligation, or undertaking contained in or made a part of these contracts shall be waived except by written agreement of the parties expressly acknowledging this waiver as a modification of the contracts.

5.5.13 Warranties Against Broker's Fees

The Consultant warrants that no person or selling agency has been employed or retained to solicit or secure these contracts upon an agreement or understanding for a commission, percentage, brokerage, or contingent fee except bona fide employees. For breach of this warranty, the Agency shall have the right to terminate these contracts without liability to the Agency.

5.5.14 Novation

In the event of a change in the corporate or company ownership of the Consultant, the Agency may, subject to approval by HHS and a determination by the Agency that the successor can meet the needs of the Agency, recognize the successor's interest in the transfer of these contracts. The new corporate or company entity shall agree to the terms of the original Contract and any amendments thereto. During the interim between legal recognition of the new entity and the Agency execution of the novation agreement, valid contracts shall continue to exist between the Agency and the original Consultant. When, to the Agency's satisfaction, sufficient assets necessary for the performance of these contracts have been transferred from the original Consultant, the Agency shall approve the novation agreement.

5.6 Disputes and Litigation

5.6.1 Attorneys Fees

In the event that the State shall prevail in any legal action arising out of the performance or non-performance of this Contract, the Consultant must pay, in addition to any damages, all expenses of such action including reasonable attorneys fees and costs. This requirement applies regardless of whether the Agency is represented by staff counsel or outside counsel. Fees and costs of defense shall be deemed to include administrative proceedings of all kinds, as well as all actions at law or equity.

5.6.2 Disputes

Except in those cases where the proposal response exceeds the requirements of the RFP, any conflict between the proposal response of the Consultant and the RFP shall be controlled by the provisions of the RFP. Any disputes concerning a question of fact arising under the contract, which is not disposed of by agreement, shall be decided by the Medicaid RFP Project Manager and the Primary Coordinator who shall reduce their decision to writing and mail or otherwise furnish a copy thereof to the Consultant. The decision of the Medicaid RFP Project Manager and the Primary Coordinator shall be final and conclusive unless within 10 calendar days from the date of receipt of such copy, the Consultant mails or otherwise furnishes a written appeal to the Commissioner of Medicaid. The decision of the Commissioner or her/his duly authorized representative for the determination of such appeals shall be final and conclusive unless determined by a court of competent jurisdiction to have been fraudulent, or capricious or arbitrary, or so grossly erroneous as necessarily to imply bad faith under the Alabama Administrative Procedure Act. In connection with any appeal proceeding under this clause, the Consultant must be afforded an opportunity to be heard and to offer evidence in support of his appeal. Pending a final decision of a dispute herein under, the Consultant must proceed diligently with the performance of the contract in accordance with the disputed decision. The Consultant's sole remedy for the settlement of any and all disputes arising under the terms of this agreement concerning compensation claimed to be due and payable to the Consultant, or any aspect of the performance of duties by the Consultant shall be limited to the filing of a claim with the Board of Adjustment for the State of Alabama.

For any and all disputes arising under the terms of this contract, the parties hereto agree, in compliance with the recommendations of the Governor and Attorney General, when considering settlement of such disputes, to utilize appropriate forms of non-binding alternative dispute resolution including, but not limited to, mediation by and through the Attorney General's Office of Administrative Hearings or where appropriate, private mediators.

5.6.3 Litigation

Any litigation brought by the Agency or the Consultant regarding any provision of these Contracts shall be brought in either the Circuit Court of Montgomery County, Alabama, or the United States District Court for the Middle District of Alabama, Northern Division, according to the jurisdictions of these courts. This provision is not intended to, nor shall it operate to, enlarge the jurisdiction of either of said courts, but is merely an agreement and stipulation as to venue.

5.7 Records

5.7.1 Records Retention and Storage

In accordance with 45 CFR §74.53, the Consultant shall maintain financial records, supporting documents, statistical records, and all other records pertinent to the Alabama Medicaid Program for a period of three years from the date of the final payment made by the Agency to the Consultant under this Contract. However, if audit, litigation, or other legal action by or on behalf of the State or Federal government has begun but is not completed at the end of the three-year period, or if audit findings, litigation, or other legal action have not been resolved at the end of the three-year period, the records shall be retained until resolution.

5.7.2 Inspection of Records

The Consultant agrees that representatives of the Comptroller General, HHS, the General Accounting Office, the State of Alabama Department of Examiners of Public Accounts, the Agency and their authorized representatives shall have the right during business hours to inspect and copy the Consultant's books and records pertaining to contract performance and costs thereof. The Consultant shall cooperate fully with requests from any of the agencies listed above and shall furnish free of charge copies of all requested records. The Consultant may require that a receipt be given for any original record removed from the Consultant's premises.

The Consultant agrees to make available at its central business office at all reasonable times during the period set forth below any of the records of the contracted work for inspection or audit by any authorized representative of Medicaid or their duly authorized representative.

A file and report retention schedule shall be developed by the Consultant and approved by Medicaid. The Consultant shall maintain the schedule and Medicaid will approve all changes

5.7.3 Substitution of Micro Media Records

Except for documentary evidence, the Consultant may in fulfillment of its obligation to retain its records as required by this article, substitute clear and legible photographs, microphotographs or other authentic reproductions of such records, after the expiration of three years following the last day of the fiscal year in which the record was created, unless a shorter period is authorized by Medicaid. (Records retention schedules are approved by State Records Commission.)

5.8 Damages

5.8.1 Liquidated Damages

The purpose of liquidated damages is to ensure adherence to the performance requirements in these Contracts. No punitive intention is inherent. It is agreed by the Agency and the Consultant that, in the event of a failure to meet the contract requirements, damage shall be sustained by the Agency, and that it is and shall be impractical and extremely difficult to ascertain and determine the actual damages which the Agency shall sustain in the event of, and by reason of, such failure; and it is therefore agreed that the Consultant shall pay the Agency for such failures at the sole discretion of the Agency according to the following subsections (unless these damages are waived by Medicaid). These deliverables are also subject to the 10 percent withholding by Medicaid as outlined in Section 1.13.

DELIVERABLES

Requirement: All requirements/deliverables identified in Section 2.

Liquidated Damages: Medicaid shall assess damages in the amount of $500.00 per working day or any part thereof after the day identified in the individual sections that the requirement/deliverable is not met.

Requirement: Medicaid may identify any other condition resulting from the Consultant non-compliance with the RFP and contract through routine monitoring activities. Medicaid will notify

the Consultant in writing of the non-compliance and designate a reasonable time for correction of the non-compliance.

Liquidated Damages: Damages in the amount of $200.00 shall be assessed for each working day or any part thereof after the designated time for correction until the correction of the noncompliance.

Requirement: Personnel proposed for the project must be committed and significantly engaged with the project. Inexperienced personnel must not be substituted for the proposed personnel. Should specific personnel proposed by the Consultant not be available, or if Medicaid determines that key personnel are not providing an adequate amount of time on-site or are not performing in accordance with Medicaid's expectations, Medicaid reserves the right to cancel the project and all prior agreements with the consultant. Medicaid shall allow the Consultant reasonable time to replace key personnel not to exceed four weeks from the date Medicaid was notified of the personnel loss.

Liquidated Damages: Medicaid reserves the right to impose liquidated damages of up to 10 percent of the total proposed project price should specific personnel proposed by the consultant not be available, or become materially absent during the course of the project.

Written notification of each failure to meet contractual requirements shall be given to the Consultant. The imposition of liquidated damages is not in lieu of any other remedy available to the Agency. The Agency shall withhold from the Consultant reimbursements amounts necessary to satisfy any damages imposed.

A decision by the Agency not to exercise this damage clause in a particular instance shall not be construed as a waiver of the Agency's right to pursue future assessment of that performance requirement and associated damages. The Agency may, at its sole discretion, return all or a portion of any liquidated damages collected, as an incentive to the Consultant for prompt and lasting correction of performance problems.

5.8.2 Payment of Damages

Amounts owed the Agency due to liquidated damages shall be deducted by the Agency from any money payable to the Consultant pursuant to this Contract. These amounts may be deducted from any actual damages claimed by the Agency in the event of litigation for non-compliance and default.

5.8.3 Limitation of Liability

The Agency's remedies and the Consultant's direct liability to the Agency shall be limited to one and a half times the value of the Contract. This limitation shall not apply to tangible property damage or personal injury. The limitation of liability is applicable solely to the Consultant's direct liability to the Agency. Nothing in this section shall be construed as limiting the Consultant's obligation to indemnify the Agency as expressed in the *Indemnification* section of this RFP. The Consultant understands and agrees that its obligation to indemnify the Agency as expressed in the *Indemnification section* of this RFP is not subject to this limitation.

5.9 Other Requirements

5.9.1 Inspection of Work Performed

The Agency or its authorized representative shall have the right to enter into the premises of the Consultant and all subcontractors, or such other places where duties under the contract are being performed, to inspect, monitor or otherwise the work being performed. All inspections and evaluations shall be performed in such a manner as will not unduly delay work.

5.9.2 Survival

The terms, provisions, representatives and warranties contained in the contract shall survive the development and submission of all required deliverables and the payment of the purchase price thereof.

5.9.3 Amendments in Writing

After the award of the contract, no amendment to this contract shall be effective unless it is in writing and signed by duly authorized representatives of the Consultant and Medicaid.

5.9.4 Severability

If any provision of the contract (including terms incorporated by reference) is declared or found to be illegal, unenforceable, or void, then both Medicaid and the Consultant must be relived of all obligations arising under such provision; if the remainder of the contract is capable of performance, it shall not, at the sole option of Medicaid, be affected by such declaration or finding and shall be fully performed.

5.9.5 Effective Date

Consultant acknowledges and understands that this contract is not effective until it has received all requisite State and Federal government approvals and Consultant shall not begin performing work under this contract until notified to do so by Medicaid. Consultant is entitled to no compensation for work performed prior to the effective date of this contract.

5.9.6 Authority

Each party has full power and authority to enter into and perform this contract, and the person signing this agreement has been properly authorized and empowered to enter into this contract. Each party further acknowledges that it has read this contract, understands it, and agrees to be bound by it.

APPENDICES

APPENDIX A: RECIPIENT SUBSYSTEM BASELINE REQUIREMENTS

A copy of the Recipient Subsystem Baseline System Requirements and Specifications (Update) document accompanies this RFP. The specifications are incomplete and continuing to evolve. The document is being offered in its current state only to help Proposers understand the nature and scope of the system they will be providing IV&V and QA services to.

APPENDIX B: HIPAA BUSINESS ASSOCIATE AGREEMENT

ALABAMA MEDICAID AGENCY
BUSINESS ASSOCIATE ADDENDUM

This Business Associate Addendum (this "Agreement") is made effective the _____ day of _____, 20____, by and between the Alabama Medicaid Agency ("Covered Entity"), an agency of the State of Alabama, and _____ ("Business Associate") (collectively the "Parties").

1. BACKGROUND

a. Covered Entity and Business Associate are parties to a contract entitled _____ (the "Contract"), whereby Business Associate agrees to perform certain services for or on behalf of Covered Entity.

b. The relationship between Covered Entity and Business Associate is such that the Parties believe Business Associate is or may be a "business associate" within the meaning of the HIPAA Privacy Rule (as defined below).

c. The Parties enter into this Business Associate Addendum to the Contract with the intention of complying with the HIPAA Privacy Rule provision that a covered entity may disclose protected health information to a business associate, and may allow a business associate to create or receive protected health information on its behalf, if the covered entity obtains satisfactory assurances that the business associate will appropriately safeguard the information.

2. DEFINITIONS

Unless otherwise clearly indicated by the context, the following terms shall have the following meaning in this Agreement:

a. "Breach" shall mean the acquisition, access, use or disclosure of protected health information which compromises the security or privacy of such information, except where an unauthorized person to whom such information is disclosed would not reasonably have been able to retain such information.

b. "Electronic Health Record" shall mean an electronic record of health-related information on an individual that is created, gathered, managed, and consulted by authorized health care clinicians and staff.

c. "Electronic Protected Health Information" means Protected Health Information that is transmitted by Electronic Media (as defined in the Security and Privacy Rule) or maintained in Electronic Media.

d. "HIPAA" means the Administrative Simplification Provisions, Sections 261 through 264, of the federal Health Insurance Portability and Accountability Act of 1996, Public Law 104-191.

e. "Individual" shall have the same meaning as the term "individual" in 45 CFR 164.501 and shall include a person who qualifies as a personal representative in accordance with 45 CFR 164.502(g).

f. "Personal Health Record" shall mean an electronic record of identifiable health information on an individual that can be drawn from multiple sources and that is managed, shared and controlled by or primarily for the individual.

g. "Privacy Rule" shall mean the Standards for Privacy of Individually Identifiable Health Information at 45 CFR part 160 and part 164, subparts A and E.

h. "Protected Health Information" (PHI) shall have the same meaning as the term "protected health information" in 45 CFR 164.501, limited to the information created or received by Business Associate from or on behalf of Covered Entity.

i. "Required By Law" shall have the same meaning as the term "required by law" in 45 CFR 164.501.

j. "Secretary" shall mean the Secretary of the United States Department of Health and Human Services or his designee.

k. "Security Incident" shall mean the attempted or successful unauthorized access, use, disclosure, modification, or destruction of information or interference with system operations in an information system.

l. "Security Rule" shall mean the Security Standards for the Protection of Electronic Protected Health Information at 45 CFR Parts 160 and 162, and Parts 164, Subparts A and C. The application of Security provisions Sections 164.308; 164.310, 164.312, and 164.316 of title 45, Code of Federal Regulations shall apply to a business associate of a covered entity in the same manner that such sections apply to the covered entity.

m. Unless otherwise defined in this Agreement, capitalized terms used herein shall have the same meaning as those terms have in the Privacy Rule.

n. "Unsecured Protected Health Information" is information that is not rendered unusable, unreadable, or indecipherable to unauthorized individuals by mean of technology or methodology specified by the Secretary of Health and Human Services in the guidance issued under section 13402(h)(2) of Public Law 111–5.

3. OBLIGATIONS OF BUSINESS ASSOCIATE

a. Use and Disclosure of PHI. Business Associate agrees to not use or disclose PHI other than as permitted or required by this Agreement or as Required By Law.

b. Appropriate Safeguards. Business Associate agrees to use appropriate safeguards to prevent use or disclosure of the PHI other than as provided for by this Agreement. The Business Associate agrees to take steps to safeguard, implement and maintain PHI in accordance with the HIPAA Privacy Rule.

c. Mitigation. Business Associate agrees to mitigate, to the extent practicable, any harmful effect that is known to Business Associate of a use or disclosure of PHI by Business Associate in violation of the requirements of this Agreement.

d. Report Unauthorized Use or Disclosure. Business Associate agrees to promptly report to Covered Entity any use or disclosure of PHI not provided for by this Agreement of which it becomes aware.

e. Applicability to Business Associate's Agents. Business Associate agrees to ensure that any agent, including a subcontractor, to whom it provides PHI received from, or created or received by the Business Associate on behalf of, Covered Entity agrees to the same restrictions and conditions that apply through this Agreement to Business Associate with respect to such information. The Business Associate agrees to have HIPAA-compliant Business Associate

Agreements or equivalent contractual agreements with agents to whom the Business Associate discloses Covered Entity PHI.

f. Access. Upon receipt of a written request from Covered Entity, Business Associate agrees to provide Covered Entity, in order to allow Covered Entity to meet its requirements under 45 CFR 164.524, access to PHI maintained by Business Associate in a Designated Record Set within thirty (30) business days.

g. Amendments to PHI. Business Associate agrees to make any amendment(s) to PHI maintained by Business Associate in a Designated Record Set that Covered Entity directs or agrees to, pursuant to 45 CFR 164.526 at the request of Covered Entity, within thirty (30) calendar days after receiving a written request for amendment from Covered Entity.

h. Availability of Documents. Business Associate agrees to make internal practices, books, and records, including policies and procedures and PHI, relating to the use and disclosure of PHI received from, or created or received by the Business Associate on behalf of, Covered Entity, available to Covered Entity or to the Secretary for purposes of the Secretary determining Covered Entity's compliance with the Privacy and Security Rules, within five business days' after receipt of written notice.

i. Documentation of PHI Disclosures. Business Associate agrees to keep records of disclosures of PHI and information related to such disclosures as would be required for Covered Entity to respond to a request by an individual for an accounting of disclosures of PHI in accordance with 45 CFR 164.528.

j. Accounting of Disclosures. The Business Associate agrees to provide to Covered Entity, within 30 days of receipt of a written request from Covered Entity, information collected in accordance with the documentation of PHI disclosure of this Agreement, to permit Covered Entity to respond to a request by an Individual or an authorized representative for an accounting of disclosures of PHI in accordance with 45 CFR 164.528.

k. The Business Associate shall maintain a comprehensive security program appropriate to the size and complexity of the Business Associate's operations and the nature and scope of its activities as defined in the Security Rule.

l. The Business Associate shall notify the Covered Entity immediately following the discovery of a breach of Protected Health Information (PHI).

m. The Business Associate shall provide the Covered Entity the following information when a breach of unsecured protected health information is discovered:

1) The number of recipient records involved in the breach.
2) A description of what happened, including the date of the breach and the date of the discovery of the breach if known.
   1. A description of the types of unsecure protected health information that were involved in the breach (such as whether full name, social security number, date of birth, home address, account number, diagnosis, disability code, or other type information were involved).
   2. Any steps the individuals should take to protect themselves from potential harm resulting from the breach.
   3. A description of what the Business Associate is doing to investigate the breach, to mitigate harm to individuals and to protect against any further breaches.

4. Contact procedures for individuals to ask questions or learn additional information, which shall include the Business Associate's toll-free number, email address, Web site, or postal address.
5. A proposed media release developed by the Business Associate.

n. The Business Associate shall obtain Covered Entity approval prior to reporting any breach required by 45 CFR Part 164, Subpart D.

o. The Business Associate shall, after receiving Covered Entity approval, provide the necessary notices to the recipient, prominent media outlet, or the Secretary of Health and Human Services (HHS) to report Business Associate breaches as required by 45 CFR Part 164, Subpart D.

p. Covered Entity will coordinate with the Business Associate in the determination of additional specific actions that will be required of the Business Associate for mitigation of the breach.

q. If the Business Associate is a vendor of personal health records, notification of the breach will need to be made with the Federal Trade Commission.

r. The Business Associate shall be responsible for any and all costs associated with the notification and mitigation of a breach that has occurred because of the negligence of the Business Associate.

s. The Business Associate shall pay all fines or penalties imposed by HHS under 45 CFR Part 160 HIPAA Administrative Simplification: Enforcement rule for breaches made by any employee, officer, or agent of the Business Associate.

t. The Business Associate shall be subject to prosecution by the Department of Justice for criminal violations of HIPAA if the Business Associate obtains or discloses individually identifiable health information without authorization, and shall be responsible for any and all costs associated with prosecution.

4. PERMITTED USES AND DISCLOSURES

Except as otherwise limited in this Agreement, if the Contract permits, Business Associate may use or disclose PHI to perform functions, activities, or services for, or on behalf of, Covered Entity as specified in the Contract, provided that such use or disclosure would not violate the Privacy Rule if done by Covered Entity;

a. Except as otherwise limited in this Agreement, if the Contract permits, Business Associate may use PHI for the proper management and administration of the Business Associate or to carry out the legal responsibilities of the Business Associate.

b. Except as otherwise limited in this Agreement, if the Contract permits, Business Associate may disclose PHI for the proper management and administration of the Business Associate, provided that:

1) disclosures are Required By Law; or

2) Business Associate obtains reasonable assurances from the person to whom the information is disclosed that it will remain confidential and used or further disclosed only as Required By Law or for the purpose for which it was disclosed to the

person, and the person notifies the Business Associate of any instances of which it is aware in which the confidentiality of the information has been breached.

c. Except as otherwise limited in this Agreement, if the Contract permits, Business Associate may use PHI to provide data aggregation services to Covered Entity as permitted by 42 CFR 164.504(e)(2)(i)(B).

d. Notwithstanding the foregoing provisions, Business Associate may not use or disclose PHI if the use or disclosure would violate any term of the Contract.

5. REPORTING IMPROPER USE OR DISCLOSURE

a. The Business Associate shall report to the Covered Entity any use or disclosure of PHI not provided for by this agreement immediately from the time the Business Associate becomes aware of the use or disclosure.

b. The Business Associate shall report to the Covered Entity any Security Incident and/or breach immediately from the time the Business Associate becomes aware of the use or disclosure.

6. OBLIGATIONS OF COVERED ENTITY

a. Covered Entity shall notify the Business Associate of any limitation(s) in its notice of privacy practices in accordance with 45 CFR 164.520, to the extent that such limitation may affect Alabama Medicaid's use or disclosure of PHI.

b. Covered Entity shall notify the Business Associate of any changes in, or revocation of, permission by an Individual to use or disclose PHI, to the extent that such changes may affect the Business Associate's use or disclosure of PHI.

c. Covered Entity shall notify the Business Associate of any restriction to the use or disclosure of PHI that Covered Entity has agreed to in accordance with 45 CFR 164.522, to the extent that such restriction may affect the Business Associate's use or disclosure of PHI.

d. Covered Entity shall not request Business Associate to use or disclose PHI in any manner that would not be permissible under the Privacy Rule if done by Covered Entity.

e. Covered Entity shall provide Business Associate with only that PHI which is minimally necessary for Business Associate to provide the services.

7. TERM AND TERMINATION

a. **Term**. The Term of this Agreement shall be effective as of the effective date stated above and shall terminate when the Contract terminates.

b. **Termination for Cause**. Upon Covered Entity's knowledge of a material breach by Business Associate, Covered Entity may, at its option:

1. Provide an opportunity for Business Associate to cure the breach or end the violation, and terminate this Agreement if Business Associate does not cure the breach or end the violation within the time specified by Covered Entity;

2. Immediately terminate this Agreement; or
3. If neither termination nor cure is feasible, report the violation to the Secretary as provided in the Privacy Rule.

c. **Effect of Termination**.

1. Except as provided in paragraph (2) of this section or in the Contract, upon termination of this Agreement, for any reason, Business Associate shall return or destroy all PHI received from Covered Entity, or created or received by Business Associate on behalf of Covered Entity. This provision shall apply to PHI that is in the possession of subcontractors or agents of Business Associate. Business Associate shall retain no copies of the PHI.
2. In the event that Business Associate determines that returning or destroying the PHI is not feasible, Business Associate shall provide to Covered Entity notification of the conditions that make return or destruction not feasible. Business Associate shall extend the protections of this Agreement to such PHI and limit further uses and disclosures of such PHI to those purposes that make the return or destruction infeasible, for so long as Business Associate maintains such PHI.

8. GENERAL TERMS AND CONDITIONS

a. This Agreement amends and is part of the Contract.

b. Except as provided in this Agreement, all terms and conditions of the Contract shall remain in force and shall apply to this Agreement as if set forth fully herein.

c. In the event of a conflict in terms between this Agreement and the Contract, the interpretation that is in accordance with the Privacy Rule shall prevail. Any ambiguity in this Agreement shall be resolved to permit Covered Entity to comply with the Privacy Rule.

d. A breach of this Agreement by Business Associate shall be considered sufficient basis for Covered Entity to terminate the Contract for cause.

e. The Parties agree to take such action as is necessary to amend this Agreement from time to time for Covered Entity to comply with the requirements of the Privacy Rule and HIPAA.

IN WITNESS WHEREOF, Covered Entity and Business Associate have executed this Agreement effective on the date as stated above.

ALABAMA MEDICAID AGENCY

Signature: _____

Printed Name: Clay Gaddis

Title: Privacy Officer

Date: _____

BUSINESS ASSOCIATE

Signature: _____

Printed Name: _____

Title: _____

Date: _____

APPENDIX C: PRICE SCHEDULE I

Price Schedule I

Enter the staff roles and number by title that will be used to deliver the contract. Do not include the price of deliverables. Those will be included in Price Schedule II.

Staff by Title	# of Staff	Rate per Hour	Est. Hours	Extended Price

Grand Total: Staff_____ Hours_____
Staff Price_____*

Grand Total **Staff Price** on Schedule I must be transferred to and agree with Grand Total Price from Schedule listed on the bottom of Price Schedule II**.**

NAME OF AUTHORIZED BIDDER REPRESENTED (Printed) TITLE

SIGNATURE OF AUTHORIZED BIDDER REPRESENTED DATE

APPENDIX D: PRICE SCHEDULE II

Price Schedule II

Enter the price of each deliverable here. Do not include the cost of staff which is outlined in Price Schedule I except as a summary at the bottom of this schedule.

DELIVERABLES	FIXED TOTAL PRICE
All deliverables must be "APPROVED" by the Medicaid RFP Project Manager and/or the Executive Steering Committee before payment is made to the Awarded Consultant on a deliverable. Staff resource hours worked for startup, planning, meetings, training, research and other ongoing project activities are computed separately based on the Consultant's employee's actual hours worked. The deliverables below are to be priced based on the Proposer's proposal for the final approved deliverable.	
IV&V DELIVERABLES	
PROJECT MANAGEMENT TASK	
IV&V Strategy and Methodology Update for the Project Management Task	
IV&V Project Work Plan Updated	
IV&V Project Plan Assessment Report(s)	
Project Status Report Template	
Weekly and Monthly Project Status Report	
Initial Risk Assessment Report	
Formal Review and Validation of all RS-R&R Consultant Project Management deliverables	
MITA/BPR	
IV&V Strategy and Methodology Update for the MITA/BPR Task	
Assessment of RS-R&R ITB	
PROJECT INITIATION	
IV&V Strategy and Methodology Update for the Project Initiation Task	
Formal Review and Validation of all RS-R&R Consultant Project	

Initiation Phase deliverables	
REQUIREMENTS VALIDATION	
IV&V Strategy and Methodology Update for the Requirements Validation Task	
Requirements Validation/Joint Applications Design Process Plan	
Formal Review and Validation of all RS-R&R Consultant Requirements Validation Phase deliverables	
SYSTEM DESIGN	
IV&V Strategy and Methodology Update for the System Design Task	
Formal Review and Validation of all RS-R&R Consultant System Design Phase deliverables	
MITA Assessment Verification Document	
DATA CONVERSION AND INTERFACES	
IV&V Strategy and Methodology Update for the Data Cleansing/Conversion Task	
Formal Review and Validation of all RS-R&R Consultant Data Conversion and Interfaces deliverables	
SYSTEM DEVELOPMENT AND CONSTRUCTION	
IV&V Strategy and Methodology Update for the System Development Task	
Formal Review and Validation of all RS-R&R Consultant System Development and Construction Phase deliverables	
INTEGRATION, SYSTEM, AND OPERATIONAL READINESS TESTING	
IV&V Strategy and Methodology Update for the Integration & System Testing Task	
Formal Review and Validation of all RS-R&R Consultant Integration, System, and Operational Readiness Testing Phase deliverables	
USER ACCEPTANCE TESTING	
IV&V Strategy and Methodology Update for the Acceptance Testing Task	
User Acceptance Testing Plan	
Formal Review and Validation of all RS-R&R Consultant User Acceptance Testing Phase deliverables	
MITA Assessment – Final	

TRAINING	
IV&V Strategy and Methodology Update for the Training Task	
Formal Review and Validation of all RS-R&R Consultant Training deliverables	
IMPLEMENTATION	
IV&V Strategy and Methodology Update for the Implementation Task	
Go/No Go Implementation Assessment	
Preliminary Certification Assessment	
Formal Review and Validation of all RS-R&R Consultant Implementation deliverables	
DOCUMENTATION	
IV&V Strategy and Methodology Update for the Documentation Task	
Formal Review and Validation of all RS-R&R Consultant Documentation deliverables	
LESSONS LEARNED	
Lessons Learned for each Task listed above	
TOTAL OF ALL IV&V DELIVERABLES	
QA DELIVERABLES	
PROJECT MANAGEMENT TASK	
QA Strategy and Methodology Update for the Project Management Task	
QA Project Work Plan Update	
QA Project Plan Assessment Report(s)	
Project Status Report Template	
Weekly and Monthly Project Status Report	
Initial Risk Assessment Report	
Formal Review and Validation of all RS-R&R Consultant Project Management deliverables	
PROJECT INITIATION	
QA Strategy and Methodology Update for the Project Initiation Task	
Formal Review and Validation of all RS-R&R Consultant Project	

Initiation Phase deliverables	
REQUIREMENTS VALIDATION	
QA Strategy and Methodology Update for the Requirements Validation Task	
Formal Review and Validation of all RS-R&R Consultant Requirements Validation Phase deliverables	
SYSTEM DESIGN	
QA Strategy and Methodology Update for the System Design Task	
Formal Review and Validation of all RS-R&R Consultant System Design Phase deliverables	
MITA Assessment Verification Document	
DATA CONVERSION AND INTERFACES	
QA Strategy and Methodology Update for the Data Cleansing/Conversion Task	
Formal Review and Validation of all RS-R&R Consultant Data Conversion and Interfaces deliverables	
SYSTEM DEVELOPMENT AND CONSTRUCTION	
QA Strategy and Methodology Update for the System Development Task	
Formal Review and Validation of all RS-R&R Consultant System Development and Construction Phase deliverables	
INTEGRATION, SYSTEM, AND OPERATIONAL READINESS TESTING	
QA Strategy and Methodology Update for the Integration & System Testing Task	
Formal Review and Validation of all RS-R&R Consultant Integration, System, and Operational Readiness Testing Phase deliverables	
USER ACCEPTANCE TESTING	
QA Strategy and Methodology Update for the Acceptance Testing Task	
User Acceptance Testing Plan	
Formal Review and Validation of all RS-R&R Consultant User Acceptance Testing Phase deliverables	
MITA Assessment – Final	
DOCUMENTATION	
QA Strategy and Methodology Update for the Documentation Task	

Formal Review and Validation of all RS-R&R Consultant Training deliverables	
TRAINING	
QA Strategy and Methodology Update for the Training Task	
Formal Review and Validation of all RS-R&R Consultant Training deliverables	
IMPLEMENTATION	
QA Strategy and Methodology Update for the Implementation Task	
Go/No Go Implementation Assessment	
Preliminary Certification Assessment	
Formal Review and Validation of all RS-R&R Consultant Implementation deliverables	
STABILIZATION	
QA Strategy and Methodology Update for the Stabilization Task	
Formal Review and Validation of all RS-R&R Consultant Stabilization deliverables	
CERTIFICATION	
QA Strategy and Methodology Update for the Certification Task	
Certification Coordination Plan	
Certification Documentation as required by CMS	
Formal Review and Validation of all RS-R&R Consultant Certification deliverables	
LESSONS LEARNED	
Lessons Learned for each Task listed above	
TOTAL OF ALL QA DELIVERABLES	
GRAND TOTAL PRICE FROM PRICE SCHEDULE I	
TOTAL FIXED PRICE BID	

NAME OF AUTHORIZED BIDDER REPRESENTED (Printed)	TITLE
SIGNATURE OF AUTHORIZED BIDDER REPRESENTED	DATE